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BALTIMORE SUN
29 October 1981

Casey Waxes Oxy- Moronic

Washington

WILLIAM J. CASEY, director of the Central Intelligence Agency, treated the Senate Judiciary Committee last month to a persuasive oxymoron. An oxymoron, for the record, is a combination of words containing an inherent contradiction. The dictionary example is "cruel kindness."

On this occasion the topic was the Freedom of Information Act (FOIA). Mr. Casey is eager to get his CIA totally exempted from the act's

By James J. Kilpatrick

provisions. "There is an inherent contradiction," he said, "in applying a statute designed to assure openness in government to an agency whose work is necessarily secret."

The gentleman has a valid point. I come to the director's support reluctantly, for those of us in the news business are resisting any weakening in the basic FOIA. All the same, there is something fundamentally awry in the notion that the CIA's shadowy trade should be opened to the sunshine of media exposure.

In the form in which it originally was adopted in 1966, the FOIA had no significant impact upon the CIA. Then came Watergate, and the Congress went through one of its recurrent convulsions of piety. You may recall the spasms. We wound up with a lunatic act requiring that special prosecutors investigate the flimsiest allegations against White House personnel. Another fatuous law demands such teetotal disclosure of assets by prospective government officials that the whole executive service has suffered.

In the fallout from this sanctimonious eruption, the CIA became subject to inquiries under the FOIA. Upon request, the CIA was to provide the "reasonable segregable portions" of a given file. Moreover, federal courts were given power to review the agency's determination that certain records could properly be withheld.

These amendments, Mr. Casey told the committee, led to an "explosion" of FOIA requests. In 1980, more than 1,200 requests for information were filed. Because of the complex filing system used by the CIA, 257,000 hours of labor had to be devoted to reviewing the requests. Personnel costs alone amounted to more than \$3 million. The CIA has been sued 198 times by persons requesting more information than the CIA was willing to release.

If these were the only consequences of the 1974 amendments, the director would have a poor case. The CIA's budget—whatever it is—could afford the \$3 million, and with 25,000 employees, more or less, the CIA probably could spare 144 senior intelligence analysts to concentrate on FOIA requests. But these are not the only consequences.

"In other government agencies," Mr. Casey testified, "the review of information for possible release under the FOIA is a routine administrative function; in the Central Intelligence Agency it can be a matter of life or death for human sources. In some circumstances mere acknowledgment of the fact that the CIA has any information on a particular subject or has engaged in a particular type of activity could be enough to place the source of that information in danger."

The director made another persuasive argument. The CIA's vulnerability under the FOIA is seen abroad as a matter of most serious concern. Foreign intelligence services are aware of the act. "They view it as a threat to our country's ability to maintain the confidentiality of its intelligence sources, and to protect the information they provide." An intelligence agency "cannot operate effectively under such conditions."

These are reasonable objections. Even so, if the effect of exempting the CIA from the Freedom of Information Act were to leave the agency absolutely immune from inquiry, some compromise forms of access would have to be devised. This is not the case. To the surprise of many skeptics, congressional oversight of the CIA apparently has worked well. The House and Senate intelligence committees have kept their mouths shut and their eyes open.

National security has to come first, and national security depends first of all upon intelligence. I confess some uneasiness at total exemption, but on balance, I'd restore the shadows to the CIA and leave Mr. Casey secure in the dark.

28 Oct 1981

News Service

SENATE COMMITTEE URGES REAGAN DROP PLAN FOR CIA DOMESTIC
EDS: HOUSE JUDICIARY SUBCOMMITTEE HEARING BEGINS 9:
PRENOON TOP

EXPECTED

BY ROBERT PARRY

ASSOCIATED PRESS WRITER

WASHINGTON (AP) - THE SENATE INTELLIGENCE COMMITTEE

PRESIDENT REAGAN TO DROP A PLAN TO ALLOW CIA INFILTRATION OF DOMESTIC GROUPS AND TO MAKE FOUR OR FIVE OTHER CHANGES IN PROPOSED NEW RULES FOR U.S. INTELLIGENCE AGENCIES.

COMMITTEE CHAIRMAN BARRY W. GOLDWATER, R-ARIZ., SAID THE PANEL ENDORSED MUCH OF THE DRAFT PRESIDENTIAL ORDER TUESDAY BUT CALLED ON REAGAN TO RETAIN THE CARTER ADMINISTRATION'S RULE THAT ALMOST COMPLETELY BARS CIA PENETRATION OF U.S. GROUPS.

SEN. DAVID DURENBERGER, R-MINN., SAID THE COMMITTEE AGREED TO RECOMMEND FIVE OR SIX CHANGES IN THE REAGAN DRAFT, MOSTLY TO CLARIFY SECTIONS "THAT, IN LACKING CLARITY, OPENED UP THE PRESUMPTION OF GREATER ACCESS TO CIVIL LIBERTIES VIOLATIONS BY THE CIA." HE WOULD NOT ELABORATE BUT ADDED THAT THE COMMITTEE HOPED TO COMPLETE ITS REVIEW OF THE DRAFT ORDER THIS WEEK.

MEANWHILE, A HOUSE JUDICIARY SUBCOMMITTEE ON CIVIL AND CONSTITUTIONAL RIGHTS PLANNED THE FIRST PUBLIC HEARINGS ON THE REAGAN DRAFT ORDER TODAY.

REP. DON EDWARDS, D-CALIF., THE SUBCOMMITTEE CHAIRMAN, SAID THE HEARING WILL FOCUS ON THE DRAFT'S PROPOSED ELIMINATION OF RULES ON COLLECTING INTELLIGENCE INFORMATION ABOUT U.S. CITIZENS AND ON THE DROPPING OF STANDARDS GUIDING CIA DOMESTIC ACTIVITIES.

EDWARDS SAID DOMESTIC INTELLIGENCE SHOULD REMAIN THE RESPONSIBILITY OF THE FBI. "THERE IS NO INDICATION THAT THE FBI HAS NOT BEEN DOING ITS JOB," HE SAID BEFORE THE HEARING.

THE REAGAN DRAFT WOULD GIVE THE CIA AUTHORITY, FOR THE FIRST TIME, TO INFILTRATE AND SECRETLY TRY TO INFLUENCE THE ACTIVITY OF DOMESTIC GROUPS.

INFILTRATION COULD BE AUTHORIZED "FOR ANY LAWFUL PURPOSE" AS DETERMINED BY THE CIA CHIEF OR HIS DESIGNEE. ATTEMPTS TO INFLUENCE

CONTINUED OVER....

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THE CHRISTIAN SCIENCE MONITOR
28 October 1981

The news—briefly

Letup on CIA curbs is backed

Washington

The CIA will likely have more power to do surveillance on US citizens now that the Senate Intelligence Committee has agreed with President Reagan's plan to loosen domestic spying curbs on the agency. But the panel disagreed with the provision allowing the agency to infiltrate and influence domestic groups.

It also wrapped up its inquiry on CIA director William J. Casey and reaffirmed that there was no basis for finding him "unfit" to head the agency.

Reagan has authority by his signature alone to issue new marching orders for the CIA. But because of concern over possible abuses of civil liberties, the administration has been talking with the House and Senate intelligence committees.

The Casey investigation began in July after Max Hugel, then chief of CIA covert operations, was forced to resign because of questionable past business dealings.

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ON PAGE 1

LOS ANGELES TIMES
28 OCTOBER 1981

Senate Panel Urges Keeping Limits on CIA

By PAUL HOUSTON,
Times Staff Writer

WASHINGTON—The Republican-controlled Senate Intelligence Committee recommended Tuesday that the Reagan Administration drop its plan to allow the Central Intelligence Agency to resume infiltrating and influencing the policy of domestic organizations.

The seven Republicans and two Democrats present at a closed meeting of the committee arrived at their recommendation unanimously, the panel's chairman, Sen. Barry Goldwater (R-Ariz.), said.

Carter Restricted Infiltration

Goldwater said the committee had recommended that the Reagan Administration retain restrictions on the CIA's "undisclosed participation in domestic organizations" that were imposed by former President Jimmy Carter in an executive order issued in 1978. Carter's order restricted infiltration and influencing to the FBI with the approval of the attorney general.

The Reagan Administration has proposed eliminating the restrictions on CIA infiltration in a 23-page draft of an executive order.

The Reagan draft would give the CIA its first authority to infiltrate and secretly try to influence the activity of domestic groups. Infiltration could be authorized for "any lawful purpose" as determined by the CIA or his designee.

Under the order, any attempt to influence such groups could be undertaken if the attorney general found that constitutional rights would not be violated.

Goldwater indicated that Administration proposals to lift other restrictions on domestic covert action, physical surveillance and collection of information on Americans by the

CIA has been either approved or left unresolved by the Senate committee. But in a brief public statement, Goldwater did not give details of committee actions in those categories.

Committee's Influence

Despite the Senate panel's recommendation against infiltration, the Administration may carry out its plan merely upon the signature of President Reagan. However, the committee's advice is expected to carry substantial weight when it is forwarded to the White House.

The White House had no immediate comment on the committee's action.

The Carter restrictions were intended to avert a repetition of past abuses by the CIA.

The Senate committee's staff called the Reagan Administration's proposed CIA guidelines a "sweeping grant of authority to intelligence agencies to collect information on purely domestic matters."

Democrats, ACLU Opposed

Congressional Democrats and the American Civil Liberties union have criticized many of the proposed changes.

A senior intelligence official who asked not to be identified maintained that the proposed rules are, taken as a whole, substantially the same as the existing ones adopted by Carter. The CIA still would be barred from electronic eavesdropping on Americans, he said.

A CIA spokesman charged that

certain parts of the proposed rule changes "have been selectively released to make the biggest impact."

Goldwater also announced that the committee had finished collecting information on William J. Casey and that it stands by its July 29 statement that "no basis has been found for concluding that Casey is unfit to serve as director of Central Intelligence." However, Goldwater said the committee staff still must write a report and make recommendations before the committee reaches a decision on the Casey matter next month.

The committee's investigation centered on whether Casey engaged in improper business conduct in the decade before he became CIA director last January.

Meanwhile, a committee spokesman announced that Goldwater will undergo an operation on his right hip and will be absent from the Senate for two months, beginning Thursday. The 72-year-old Goldwater previously had an operation on his other hip.

In Goldwater's absence, Sen. Daniel Patrick Moynihan (D-N.Y.), vice chairman of the Intelligence Committee, will be acting chairman.

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THE WALL STREET JOURNAL
28 October 1981

Senate Intelligence Unit to Protest Easing Of Curbs on Infiltrating Domestic Groups

By GERALD F. SEIB

Staff Reporter of THE WALL STREET JOURNAL

WASHINGTON—The Senate Intelligence Committee will protest the Reagan administration's plan to eliminate curbs on the infiltration of domestic groups by intelligence agencies.

The committee plans to lodge its complaint later this week, when it sends the Central Intelligence Agency comments on guidelines that President Reagan plans to establish for intelligence activities, Senate staff members said. The Reagan plan, which would significantly ease some current restrictions on intelligence agencies, was sent to Congress for comments several weeks ago.

One of the most significant changes would affect infiltration of domestic groups. The Reagan plan would let intelligence agencies, with the Attorney General's approval, try to influence the activities of U.S. organizations. The current executive order, drafted by the Carter administration, prohibits intelligence agencies from infiltrating domestic groups for the purpose of influencing them.

The Carter order allows domestic groups to be infiltrated only under carefully defined circumstances and with the Attorney General's approval in each case. The Reagan order would allow infiltration under "procedures" to be established by the head of the agency concerned and approved by the Attorney General.

Intelligence committee members object to the change on the ground that it would violate civil liberties. Lawmakers also think the change would arouse public suspicion and anger at the intelligence community without greatly increasing its effectiveness.

"It wouldn't really change things substantially but it has drawn so much attention," said one intelligence committee staff member. "It's something that has just given a black eye" to the intelligence community.

The current curbs are intended to prevent CIA involvement in spying on domestic dissident groups that aren't suspected of breaking the law or "reasonably believed" to be acting on behalf of a foreign power.

The committee generally is united in objecting to changes in the rules curbing infiltration of domestic groups. But, as one Senate aide asserted, "there is general unhappiness" among lawmakers with the Reagan plan.

Some committee members object to sections that would ease restrictions on other domestic activities by the CIA. The Reagan plan would lift a prohibition on covert CIA activities in the U.S. and loosen restrictions on collecting and disseminating intelligence information about U.S. citizens. It also would eliminate controls on surveillance of Americans abroad.

At the same time, conservatives are unhappy because the proposed order doesn't call for broad changes in the intelligence bureaucracy. They would like a reorganization that would introduce competition among the various intelligence branches that analyze foreign military and political trends. They also want a central organization to coordinate counterintelligence files and activities.

These other complaints will be included in the comments the committee submits to the CIA, aides said. A CIA spokesman wouldn't predict yesterday whether the administration would change its plan, which won't become effective unless President Reagan signs it.

Separately, the committee chairman, Sen. Barry Goldwater (R., Ariz.), said the intelligence panel has finished gathering information in its investigation of CIA Director William Casey. The committee's staff will issue a report by the end of November.

The Committee has been studying Mr. Casey's finances and his hiring of Reagan campaign aide Max Hugel as head of the CIA's clandestine activities. Mr. Hugel resigned when he was accused by former business associates of improper financial activities.

Sen. Goldwater and Sen. Daniel Moynihan (D., N.Y.), the panel's top Democrat, met this week with Mr. Hugel, Senate staff members said. But committee staffers say the report isn't likely to contain information that would prompt calls for Mr. Casey's resignation.

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NEW YORK TIMES
28 OCTOBER 1981

Senators Urge Reagan to Drop Plan for Spying

Panel Seeking to Retain Curbs on C.I.A. Agents

By JUDITH MILLER

Special to The New York Times

WASHINGTON, Oct. 27 — The Senate Select Committee on Intelligence recommended today that the Reagan Administration abandon its plan to permit the Central Intelligence Agency to infiltrate and influence domestic groups.

Senator Barry Goldwater, Republican of Arizona, chairman of the panel, and Senator Daniel Patrick Moynihan, Democrat of New York, the vice chairman, said that the panel would urge the White House later this week to retain the restrictions on infiltration of domestic groups that were imposed by President Carter in January 1978.

The announcement is the first bipartisan expression of Congressional opposition to a key section of a proposed executive order governing intelligence activities that is being reviewed by the House and Senate intelligence panels.

Recommendation Not Binding

The committee's recommendation is not binding on President Reagan, whose signature alone gives an executive order the force of law, but it reflects growing opposition to sections of the proposed order. The sections at issue would provide the intelligence agencies with greatly expanded authority to collect information about Americans and foreigners residing in the United States who may pose a threat to national security.

Senators Goldwater and Moynihan, after a one-hour private meeting this morning, also said that the committee was winding down its three-month investigation of the finances and management practices of William J. Casey, the Director of Central Intelligence.

Mr. Goldwater stated that the committee had completed its investigation and that "no basis has been found for concluding that Mr. Casey is unfit to serve as Director of Central Intelligence." But Mr. Moynihan asserted that the committee ~~concluded its inquiry~~ ^{concluded its inquiry}.

Moynihan's View Differs

"The collection phase is over," Mr. Moynihan said. "The ultimate findings of the committee will await the conclusion of the committee's report."

The Senators said that a public report on the inquiry would be completed by the end of November. They added that panel members met yesterday with Max C. Hugel, former chief of clandestine activities for the agency, who resigned in July after reports of financial misconduct, charges he denied.

It was Mr. Casey's selection of Mr. Hugel, a former Reagan campaign official with limited experience in intelligence, that set off the committee's inquiry into Mr. Casey's fitness for his post.

Sources on the committee confirmed, however, that the panel had found nothing that would require Mr. Casey to relinquish his Cabinet-level position.

The executive order under review is the Administration's third effort to replace Executive Order 12036, the basic framework for all intelligence activities, signed by President Carter on Jan. 24, 1978.

Several members of the panel, however, have privately and even publicly criticized sections of the proposed draft as threats to civil liberties.

Mr. Goldwater said today that individual senators had been asked to present their recommendations and views to the committee by tomorrow evening so that they could be forwarded to the White House, probably on Friday.

Senator Patrick J. Leahy, Democrat of Vermont, who is ranking minority member of the subcommittee directly responsible for reviewing the order, has objected to a provision that appears to broaden the Government's authority to conduct domestic electronic surveillance, physical searches and break-ins in the name of national security.

Senator Walter D. Huddleston, Democrat of Kentucky, said today that he objected to another provision that would delete a requirement contained in the Carter order that the President receive a recommendation, including dissents, from the National Security Council on each proposed covert action overseas. Mr. Huddleston maintained that this deletion would jeopardize "full consideration" of proposed covert operations, such as arming or financing foreign political factions.

Change on Information Favored

Senator David Durenberger, Republican of Minnesota, said that he and others would recommend that the Administration change a provision that would permit intelligence agencies to ~~use~~ ^{use} American citizens that does not have a direct impact on national security.

"There is a surprisingly substantial consensus on the panel about several provisions that relate to civil liberties," Mr. Durenberger said. "The Administration would face bipartisan and non-partisan problems up here if it does not make accommodations."

A spokesman for the National Security Council declined comment on whether the Administration would accept the committee's recommendations, but intelligence officials have privately assured the committee that its advice will be considered carefully. Congress could, if rebuffed, pass a law forbidding certain practices, or it could respond through an appropriations action, but experts consider these unlikely possibilities.

Most of the committee's objections are focused on the White House proposal that would grant intelligence agencies authority to infiltrate and influence domestic political groups and corporations.

The Carter order requires that infiltrating and attempts to influence domestic groups be carried out only by the Federal Bureau of Investigation. Neither activity is permitted without the approval of the Attorney General.

The Administration's draft, by contrast, would authorize the C.I.A. for the first time to infiltrate domestic organizations and secretly attempt to influence their activities. Infiltration, according to the draft, could be authorized "for any lawful purpose" determined by the Director of Central Intelligence or someone he designates. Attempts to influence such groups could be conducted if the Attorney General concluded that constitutional rights would not be violated.

Several Senators have argued that this provision would violate the National Security Act of 1947, which prohibits an "internal security" function for the Central Intelligence Agency.

Spokesmen for the agency have repeatedly maintained that the agency does not plan to spy within the borders of the United States.

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CHICAGO TRIBUNE
28 OCTOBER 1981

Probers: CIA chief is clean

By FRANK VAN RIPER

Washington (News Bureau)—The Senate Intelligence Committee yesterday completed its investigation of CIA Director William J. Casey and found "no basis" to conclude that he is unfit to head the spy agency.

But committee sources said that a final report, expected within 30 days, on Casey's often-tangled business practices and allegations of stock manipulation against him and his associates will disclose "indications of many formerly unpublished improprieties, but none serious enough to bring about his resignation."

The three-month committee investigation of Casey began in July after Max C. Hugel, handpicked by Casey as CIA covert operations chief, resigned abruptly after he was accused of questionable stock market practices by two former business associates.

Chairman Barry Goldwater (R-Ariz.), after a one-hour, closed-door meeting, disclosed the finding and said the Senate panel also voted to urge the Reagan administration to scrap its proposal to let the CIA infiltrate and try to influence U.S. organizations.

"The CIA is meant to operate abroad, period," Vice Chairman Daniel P. Moynihan (D-N.Y.) said after the meeting.

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THE WASHINGTON POST
28 October 1981

Retain Domestic Spying Curb, Senate Panel Urges Reagan

By George Lardner Jr.
Washington Post Staff Writer

The Senate Intelligence Committee recommended yesterday that President Reagan reject proposals to give the CIA wide-ranging authority to infiltrate and influence the activities of domestic organizations.

Sen. Barry Goldwater (R-Ariz.), the committee chairman, said the seven Republicans and two Democrats present at a session yesterday morning all agreed to ask the White House to maintain the current restrictions that were imposed in 1978.

Under a proposed new executive order for the intelligence community, the Central Intelligence Agency would be officially authorized for the first time to penetrate purely domestic organizations for any purpose that the CIA director or his designee determined to be lawful.

The infiltration could even be for the purpose of "influencing the activity of the organization or its members" so long as the attorney general was satisfied that this would not interfere with anyone's legal or constitutional rights.

Speaking after a closed, hour-long meeting of the committee, Goldwater indicated that the rest of the 23-page draft had been acceptable to the committee at large although individual members wanted other revisions as well. He said they would be free to express their concerns to the White House.

Goldwater also announced that the committee has now completed its investigation into CIA Director William J. Casey's business dealings in recent years and still sees "no basis... for concluding that Mr. Casey is unfit to serve as director of central intelligence."

The committee's vice chairman, Sen. Daniel Patrick Moynihan (D-N.Y.), suggested, however, that the panel may still have some critical observations to make when it issues its final report on the matter, perhaps by the end of November.

It also appeared that the senators have yet to complete their study of the administration's proposed new executive order despite Goldwater's remarks. The committee is still waiting for some additional information about it, including details about the guidelines the Justice Department will have to issue to implement it.

"We didn't decide anything final," Moynihan stressed following yesterday's session.

The New York Democrat, who has been much more critical of the order than Goldwater, will take charge of the committee later this week, probably for the rest of the year. Goldwater is leaving for Arizona Thursday where he faces hip surgery in early November and then a prolonged recuperation period.

Moynihan has protested that the draft order virtually guarantees that the CIA and the rest of the U.S. intelligence community would "suddenly be revived as a threat to liberties internally."

The president is free to ignore the advice from Capitol Hill and promulgate the order as it stands, but administration officials have suggested at least some changes are in store to allay fears about a new era of domestic spywork.

One revision may involve what some critics view as a blank check for any undercover operations the president might deem necessary. The draft order, a copy of which was obtained by The Washington Post, has a catchall sanction for "such other intelligence activities as the president may direct from time to time as he deems necessary for the national defense." The committee's draft would change this to "all activities authorized pursuant to this order."

participation in domestic organizations were promulgated by President Carter in January of 1978. They give the FBI broad authority to infiltrate domestic groups "in the course of a lawful investigation," but the CIA and other U.S. intelligence agencies are subject to two main limitations.

Unless the organization is composed primarily of foreigners and is reasonably believed to be acting on behalf of a foreign power, the CIA can penetrate it only if:

- The infiltration comports with publicly announced standards approved by the attorney general and;
- The infiltration is not undertaken for the purpose of influencing the activity of the organization or its members.

Sen. Patrick J. Leahy (D-Vt.) said the committee is likely to make additional recommendations before it sends its views to the White House Friday. He told a reporter that he wants to make sure that nothing in the implementing guidelines—some of which will be secret—will be "contradictory to the order."

"Nobody seemed overly eager to send down a blanket approval at today's meeting," Leahy added. He said he considered this "a good sign" since the panel's advice is likely to carry more weight if it is unanimous.

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7URGENT

7SENATE PANEL RECOMMENDS LIMITING CIA DOMESTIC SPYING

7BY MICHAEL J. SNIFFEN

7ASSOCIATED PRESS WRITER

WASHINGTON (AP) - THE SENATE INTELLIGENCE COMMITTEE RECOMMENDED TODAY THAT THE REAGAN ADMINISTRATION ABANDON ITS PLAN TO ALLOW THE CENTRAL INTELLIGENCE AGENCY TO INFILTRATE AND TRY TO INFLUENCE DOMESTIC ORGANIZATIONS.

AFTER A ONE-HOUR CLOSED MEETING, SEN. BARRY M. GOLDWATER, R-Ariz., THE COMMITTEE CHAIRMAN, SAID THE PANEL WOULD RECOMMEND THAT THE ADMINISTRATION ABIDE BY THE RESTRICTIONS ON CIA INFILTRATION OF U.S. GROUPS IMPOSED BY PRESIDENT CARTER IN JANUARY 1978.

GOLDWATER ALSO ANNOUNCED THE COMMITTEE HAD COMPLETED ITS INVESTIGATION OF WILLIAM J. CASEY'S FITNESS TO SERVE AS CIA DIRECTOR. GOLDWATER SAID THE STAFF WILL WRITE A REPORT AND RECOMMENDATIONS ON CASEY, BUT DECLINED TO PREDICT WHEN THAT WOULD BE FINISHED.

IT WAS NOT KNOWN WHAT THOSE RECOMMENDATIONS WOULD BE.

THE COMMITTEE HAS BEEN STUDYING A DRAFT PRESIDENTIAL ORDER GOVERNING INTELLIGENCE AGENCIES WHICH WAS PREPARED BY THE REAGAN ADMINISTRATION AS A REPLACEMENT FOR CARTER'S ORDER.

THE REAGAN DRAFT, A COPY OF WHICH WAS OBTAINED BY THE ASSOCIATED PRESS, WOULD HAVE GIVEN THE CIA ITS FIRST AUTHORITY TO INFILTRATE AND SECRETLY TRY TO INFLUENCE THE ACTIVITY OF DOMESTIC GROUPS. INFILTRATION COULD BE AUTHORIZED "FOR ANY LAWFUL PURPOSE" AS DETERMINED BY THE CIA CHIEF OR HIS DESIGNEE.

UNDER THE ORDER, ANY ATTEMPT TO EXERT INFLUENCE ON SUCH GROUPS COULD BE UNDERTAKEN IF THE ATTORNEY GENERAL FOUND THAT CONSTITUTIONAL RIGHTS WOULD NOT BE VIOLATED.

CARTER'S ORDER RESTRICTED BOTH INFILTRATION AND INFLUENCING BASICALLY TO THE FBI, AND REQUIRED THE APPROVAL OF THE ATTORNEY GENERAL FOR BOTH.

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LOS ANGELES TIMES
27 October 1981

Senate Panel Urges Keeping Limits on CIA

By PAUL HOUSTON,
Times Staff Writer

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The committee's investigation centered on whether Casey engaged in improper business conduct in the decade before he became CIA director last January.

Meanwhile, a committee spokesman announced that Goldwater will undergo an operation on his right hip and will be absent from the Senate for two months, beginning Thursday. The 72-year-old Goldwater previously had an operation on his other hip.

In Goldwater's absence, Sen. Daniel Patrick Moynihan (D-N.Y.), vice chairman of the Intelligence Committee, will be acting chairman.

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THE WASHINGTON POST
26 October 1981

EXECUTIVE NOTES

Central Intelligence Agency Director **William J. Casey** had to be in London on government business, his lawyer told a state judge in New York last week, and could not make an appearance at the trial of an eight-year-old lawsuit against him.

So the trial, in which the estate of Casey's late brother-in-law is seeking damages for the alleged negligent maintenance of a riding lawn mower that killed the brother-in-law in a bizarre accident, was postponed until this Friday.

As it turned out, however, Casey did not have plans to leave the country until a few days after he told the court he would not be available. And the purpose of the trip was not exactly government business. According to a CIA spokesman, Casey had a longstanding engagement to address a fraternal organization of special forces soldiers.

Casey's lawyer, **Robert C. Minion**, told Judge **Howard E. Levitt** last Monday that Casey would be out of the country from Oct. 20 to the end of the month. A lawyer for the other side said that Minion told him Casey had to go to London to direct the CIA response to the "Sudan emergency."

On Tuesday, the day Casey was

supposed to have left the country, CIA spokesman **Dale Peterson** said, "He's still here." If Casey's lawyer told the judge he would be gone from the 20th to the end of the month, Peterson said, "that may not be exactly accurate, but it's pretty close." Casey was to be in London on the 23rd.

Close enough, as they say, for government work.

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ON PAGE A-6

WILMINGTON SUNDAY JOURNAL (DE)
25 OCTOBER 1981

Some senators calling of CIA's Casey 'whitewash'

By JOE TRENTO
Staff reporter

WASHINGTON — The Senate Intelligence Committee probe of the financial history of CIA Director William J. Casey is being described by some members of that committee as "a whitewash."

Senators of both parties attending the closed meetings say no startling revelations about the 68-year-old spy chief's business dealings have turned up.

However, two key committee members say preliminary findings presented to the senators in closed session Thursday convinced them that important leads were not followed and probes have not pressed Casey to provide explanations for omissions in his testimony about his business dealings.

But both senators conceded that no new evidence has come before the committee that would justify asking Casey to step down.

Other senators at the meeting say there was a feeling that the case had to be closed.

The senators asked not to be identified because Senate rules prohibit their revealing what went on at a closed session.

One Eastern Republican said of the probe: "You are never going to totally unravel this mess . . . but we have other pressing business."

Though Chairman Barry M. Goldwater, R-Ariz., has said that "only loose ends" remain in the probe, which might take another month to complete, others on the committee expressed dissatisfaction with the direction of Majority Counsel Fred R. Thompson.

Committee spokesman Spencer Davis defended the probe, saying, "I wouldn't call this a whitewash. I don't think we would want to have reporters turn up new material we had not found. I think they are trying to be careful."

But several senators on the committee paint a far different picture. They say the aging Goldwater, suffering constant leg pains, wants the Casey probe stopped because he fears that the country would be the loser in any fight over Casey's business ethics.

Goldwater has told these members of the committee that if the Casey probe heats up again: "We will lose the one intelligence professional we trust in this crowd."

He is referring to Deputy CIA Director Bobby Ray Inman, who has strong support across the political spectrum.

Goldwater has, he told some of his colleagues, "absolute faith" that if the intelligence committee goes after Casey, Inman, now the No. 2 spymaster, will not replace Casey, but would himself be replaced.

These senators say they were told in no uncertain terms last August that unless the committee laid off Casey that Inman would be replaced.

According to these senators, Goldwater is privately telling them that Inman is an intelligence professional that the country cannot afford to lose in a bloody political fight.

According to other committee sources Inman has also been the only intelligence official cool to two CIA proposals. The first, a secret plan involving the Middle East, was proposed in the spring. Sen. Joseph R. Biden Jr., D-Del., who would not provide any details of the plan said only: "It was so outrageous that we

told Casey and Max Hugel to rethink it. They did and it was dropped."

Another senator said that Inman had effectively convinced Casey and Hugel that the plan, involving a violent covert action mission, was madness and should not be attempted.

Inman is also credited with urging Casey and the Reagan White House to go easy on proposals to end restrictions on CIA clandestine operations both in and out of the country.

Hugel resigned in July as head of the clandestine services of the CIA after the Washington Post printed a damaging interview with two of his former business associates. Casey became the target of critical comment after the Hugel flap and when the News-Journal newspapers revealed that his business partner in a failed venture had become associated with organized crime figures and had been made a federal witness.

Both Biden and Sen. William V. Roth, R-Del., called for Casey's resignation after news accounts of his business dealings appeared.

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ON PAGE A10

THE WASHINGTON POST
23 October 1981

Casey Probe Isn't Closed, Goldwater Says

By George Lardner Jr.
Washington Post Staff Writer

The Senate Intelligence Committee met yesterday to take up its investigation of CIA Director William J. Casey for the first time in three months and decided there was still a bit more investigating to be done.

"There are a few little things hanging which we hope to clear up by the middle of next week," Chairman Barry Goldwater (R-Ariz.) told reporters after the closed-door session.

He added, however, that the committee does not expect to complete its report on the inquiry into Casey's financial activities, which it began in mid-July, until the end of November. Goldwater said the report would be "lengthy" and he reiterated a pledge to make it public.

Sen. Daniel Patrick Moynihan (D-N.Y.), the vice chairman, said the panel agreed on what remains to be done but declined to characterize the matters still under review.

The Washington Post reported earlier this week that the committee recently asked for internal Treasury Department documents concerning

Casey's legal work for the government of Indonesia in 1976, in an effort to determine whether he should have registered as a foreign agent.

Casey and his New York law firm, Rogers & Wells, were enlisted by the Indonesians to seek foreign tax credits for payments from U.S. oil firms. Rogers & Wells subsequently registered as agents for Indonesia, in 1977, but Casey has taken the position that this was simply done out of an abundance of caution and that his own work on the case had already ended.

The CIA director did not submit a full five-year list of his clients, as Senate Intelligence Committee rules required in connection with his confirmation proceedings, until after the investigation was started.

The senators also accepted the resignation of staff director John F. Blake, who is leaving for another job, and named Robert R. Simmons in his place. Simmons, a CIA operations officer from 1969 to 1979, has been working on the committee staff for the past six months as the representative of Sen. John Chafee (R-R.I.).

ASSOCIATED PRESS

22 October 1981

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CASEY PROBE

BY ROBERT PARRY

WASHINGTON (AP) -- THE SENATE INTELLIGENCE COMMITTEE HOPES TO WRAP UP ITS INVESTIGATION OF CIA DIRECTOR WILLIAM J. CASEY NEXT WEEK, THE PANEL'S CHAIRMAN SAID THURSDAY.

"THERE ARE A FEW LITTLE THINGS STILL HANGING THAT WE HOPE CAN BE CLEARED UP BY THE MIDDLE OF NEXT WEEK," SEN. BARRY GOLDWATER, R-ARIZ., SAID AFTER A TWO-HOUR CLOSED MEETING OF THE COMMITTEE ON THE STATUS OF THE PROBE.

ONE COMMITTEE SOURCE, WHO ASKED NOT TO BE IDENTIFIED, SAID THERE WERE SIX OR SEVEN MATTERS "THAT STILL HAVE QUESTIONS ATTACHED." WHILE THE INVESTIGATION "COULD BE RESOLVED BY NEXT WEEK, IT MIGHT NOT," HE SAID. THE SOURCE DECLINED TO SPECIFY THE PENDING ISSUES.

GOLDWATER SAID THE COMMITTEE HOPED TO MAKE A LENGTHY REPORT ON CASEY PUBLIC BY THE END OF NOVEMBER.

THE COMMITTEE LAUNCHED AN INVESTIGATION LAST SUMMER INTO CASEY'S FITNESS TO SERVE AS CIA DIRECTOR, EXAMINING HIS PAST BUSINESS DEALINGS AND HIS APPOINTMENT OF MAX HUGEL TO HEAD THE AGENCY'S CLANDESTINE SERVICES.

HUGEL, A NEW HAMPSHIRE SEWING MACHINE IMPORTER, QUIT THE HIGHLY SENSITIVE POST LAST JULY AFTER THERE WERE PUBLIC ALLEGATIONS THAT HE HAD SLIPPED TWO WALL STREET BROKERS INSIDE INFORMATION ON A COMPANY HE ONCE HEADED.

HUGEL'S RESIGNATION PROMPTED GOLDWATER, THE INTELLIGENCE COMMITTEE'S CHAIRMAN, TO QUESTION CASEY'S JUDGMENT AND CALL FOR HIS RESIGNATION.

ABOUT THE SAME TIME, A FEDERAL JUDGE'S OPINION SURFACED. IT CHARGED THAT CASEY, WHILE STILL IN PRIVATE BUSINESS, HAD KNOWINGLY MISLED INVESTORS IN A FAILED 1960S FARMING VENTURE. A FEDERAL APPELLATE COURT RULED THAT CASEY AND HIS FELLOW DIRECTORS MANAGED THE FIRM IN A PATTERN OF SELF-INTEREST THAT DROVE IT DEEP INTO DEBT.

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THE WASHINGTON POST
21 October 1981

Reagan Revives Intelligence Watchdog Unit

United Press International

President Reagan breathed new life yesterday into the President's Foreign Intelligence Advisory Board, a watchdog panel that will help him upgrade information gathered by the nation's spies.

Reagan named former ambassador to Britain Anne Armstrong as chairman and Washington economist Leo Cherne as vice chairman.

The rest of the panel was heavily larded with corporate executives and people well connected to the Republican Party, but members include former Watergate special prosecutor Leon Jaworski, now a Houston attorney.

The task of the 19-member board, established by President Eisenhower in 1956 and abolished by President Carter in 1977, is to assess the quality, quantity and adequacy of U.S. intelligence gathering worldwide.

Reagan also appointed all new members to the three-member Intelligence Oversight Board, which checks the legality of intelligence gathering by the United States. As chairman, he named W. Glenn Campbell, director of Stanford University's Hoover Institution on War, Revolution and Peace.

The naming of the two boards is consistent with Reagan's desire to have the best possible intelligence available to American officials, said national security adviser Richard V. Allen.

Allen said reestablishment of the President's Foreign Intelligence Advisory Board in no way indicates Reagan is dissatisfied with the information gathered by such bodies as the Central Intelligence Agency but shows the product can "always be improved."

Meanwhile, the ranking Democrat on the Senate Intelligence Committee accused the Reagan administration

yesterday of "politicizing" the CIA and demanded that FBI Director William H. Webster testify on the White House plan to expand the powers of the CIA.

Sen. Daniel Patrick Moynihan (D-N.Y.) said Webster's failure to testify is becoming an issue in the congressional debate over the proposed presidential order on U.S. intelligence agencies.

"We want to hear from the director," Moynihan said. "They keep sending up assistants." Webster has not commented publicly on the proposal so far and the FBI had no immediate comment on Moynihan's statement.

Moynihan, at a news conference, said the dispute over the presidential order on intelligence agencies threatened to harm the CIA by putting the spy agency back in the public spotlight and reviving memories of intelligence abuses uncovered by a Senate committee in the 1970s.

Administration sources have indicated that high-ranking FBI officials have reservations about the draft order, which would give the CIA its first authority to infiltrate and influence domestic groups, but FBI officials have not publicly criticized the plan.

The draft order would replace restrictions imposed on U.S. intelligence agencies by President Carter in January, 1978. Carter's order basically limited infiltration of domestic groups to the FBI.

"They [CIA officials] were back at work," Moynihan said. "We had gotten it [the agency] back to quiet again."

In addition, the senator criticized the Reagan administration for "politicizing" the CIA by naming Reagan's campaign manager, William J. Casey, as director.

DES MOINES REGISTER (IA)
21 October 1981

Moynihan's mistake

Are our eyes playing tricks? Was that really Senator Daniel P. Moynihan (Dem., N.Y.) complaining about President Reagan's "profound mistake" in naming William Casey, his campaign director, as head of the Central Intelligence Agency? The New York Times reported last week that Moynihan blamed the president for appointing "the most political person in his campaign" to the nation's top intelligence post.

If that was a mistake, it was Moynihan's as much as the president's. Moynihan helped shove the nomination through the Senate Intelligence Committee last January with an extravagant endorsement of Casey. He told the committee "that were there more men such as William Casey in this nation, a president would have less difficulty filling his Cabinet or any other positions that a president might have to fill.... We have a man of the

greatest distinction."

Moynihan reminded the committee that Casey would be the president's senior intelligence adviser and manager of the intelligence community, in addition to running the CIA. Moynihan told the committee, "I believe — and I trust that this hearing will confirm that belief — that in Mr. Casey, the president-elect has found a man superbly well qualified to fulfill each of those responsibilities."

Now it has dawned on Moynihan that it was not such a hot idea to install the president's campaign chief as CIA director. The idea was no better last January when Moynihan was so fulsome in praise of Reagan's choice.

Honesty ought to have compelled Moynihan to remind voters that he shared responsibility for putting a political figure in such a sensitive intelligence position.

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THE WASHINGTON POST
20 October 1981

Data Sought on Case for Indonesia

By George Lardner Jr.
and Patrick E. Tyler
Washington Post Staff Writers

The Senate Intelligence Committee has requested internal Treasury Department documents concerning CIA Director William J. Casey's work for Indonesia in 1976 in an effort to determine whether he should have registered as a foreign agent.

In a letter to Treasury Secretary Donald T. Regan, Committee Chairman Barry Goldwater (R-Ariz.) said the inquiries center on reports that Casey and other members of his New York law firm had met with Treasury officials "to discuss tax credits for oil exploration and other matters related to the government of Indonesia."

The request was made as part of the committee's unfinished investigation into Casey's financial activities during the last decade. The investigation was launched in mid-July following the resignation of Casey's handpicked chief of covert operations, Max Hugel, for alleged improper stock market activities.

Casey's firm, Rogers & Wells, registered in July, 1977, as an agent for the Indonesian government. In a statement to Justice Department's Foreign

Agents Registration Office, the firm said it was undertaking "legal representation before [U.S.] governmental departments . . . in connection with obtaining U.S. foreign tax credit for Indonesian income taxes paid by U.S. oil companies."

At the time, U.S. oil companies could not write off taxes on Indonesian oil extraction as they could in Middle Eastern countries, a knowledgeable official said yesterday. The Internal Revenue Service had specifically disallowed foreign tax credits under production-sharing contracts used by the Indonesian government at the time.

Casey and his firm were hired to bring about a change in that ruling, but unlike the firm, Casey never registered as a foreign agent.

Casey failed to list the Indonesian government or many of his other legal clients in connection with Senate confirmation proceedings early this year despite an intelligence committee rule calling for such disclosures over the last five years.

Instead, he provided a copy of a short list of clients that had been submitted to the Office of Government Ethics under less rigorous disclosure rules. Casey submitted a fuller list Aug. 27 at the Senate committee's request.

terday that he believed Casey had contacted Treasury and IRS officials on behalf of Indonesia but had done "no lobbying" and had not participated in other activities that would have required him to register.

Moreover, Sporkin contended that Casey's activities at the time were not covered by the Foreign Agents Registration Act because of an exemption enacted in 1966 for lawyers engaged "in the legal representation of a disclosed foreign principal before any court of law or any agency of the government of the United States."

According to Sporkin, Rogers & Wells registered "later on"—in 1977—only because "they anticipated they might be going beyond 'the attorney's exemption' to take part in 'a legislative approach' to the problem. By then, he said, Casey was no longer working on the case.

Attempts to reach senior members of Rogers & Wells to determine how much time and work Casey billed to the Indonesian account and in what years were unsuccessful. In his supplemental disclosure Aug. 27, Casey simply listed Indonesia and many others as clients for whom he had "billable time or otherwise received credit" during the period 1976-81.

NEW YORK TIMES
20 October 1981

Top Aide Quits Intelligence Panel

By JUDITH MILLER

Special to The New York Times

WASHINGTON, Oct. 19 — John F. Blake, staff director of the Senate Select Committee on Intelligence, resigned today, partly because of what Congressional aides said he perceived as his lack of authority.

In a memorandum to the committee staff, Mr. Blake stated that he was quitting, effective Oct. 30, to accept a "forthcoming opportunity," which he did not identify.

However, Congressional aides said he had become increasingly unhappy about his lack of involvement in major

decisions on committee activities and personnel. The committee staff director makes recommendations on hiring and agendas and, as the ranking staff member, usually has substantial authority.

Mr. Blake, a former deputy director of administration in the Central Intelligence Agency, was appointed last December by the committee chairman, Barry Goldwater, Republican of Arizona. Neither man could be reached for comment today.

Congressional sources said Mr. Blake was reportedly extremely unhappy

about Senator Goldwater's decision in July to retain Fred D. Thompson, a Nashville lawyer, to head the committee's inquiry into the dealings of William J. Casey, Director of Central Intelligence.

In addition, the aides said, Mr. Blake learned only today that Mr. Goldwater had decided to retain Victoria Toensing as the committee's chief counsel. Mrs. Toensing has worked as Mr. Thompson's special assistant in the inquiry.

The resignation comes as the committee is preparing to consider whether to extend the Casey investigation. The panel is scheduled to discuss the inquiry at a meeting Thursday, and a sharp debate is expected.

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NEW YORK TIMES
19 October 1981

Foreign Policy System Criticized by U.S. Aides

By **LESLIE H. GELB**
Special to The New York Times

WASHINGTON, Oct. 18. — Nine months ago President Reagan pledged to end the recent pattern of Administrations speaking with conflicting voices on foreign and military policy. But there are still mixed signals and there is still no disciplined system for making decisions on foreign and defense policies, according to Administration officials, legislators and foreign diplomats interviewed over the last month.

Mr. Reagan said that he intended to solve the problem by downgrading the role of the national security adviser, upgrading that of the Secretary of State and re-establishing an orderly decision-making system. But dozens of officials who were interviewed said his efforts had not yet succeeded.

"You can see my frustration," said a senior Administration official. "Cabinet government works on the domestic side but there is nothing comparable on the national security side."

This official said, as did most others of those interviewed, that the Administration had a clear-cut goal — to build up military strength and then to negotiate with Moscow — but no plan or strategy to reach this goal and no system to tie it to other issues. There is no responsible official comparable to David A. Stockman, director of the Office of Management and Budget, to galvanize and coordinate the day-to-day policy decisions.

"That's the Way We Like It"

Edwin Meese 3d, the President's counselor, was told during an interview that many in the bureaucracy felt that their work seemed to be floating in space and that when an issue came up to the White House they saw it as entering a black hole. "Exactly," Mr. Meese responded. "That's the way we like it."

"We feel that it is important," he said, "that the decision-making process be a matter that doesn't get a great deal of public or even Internal Government attention other than from those who are directly involved, which are the members of the National Security Council, until the President makes a decision."

As many who fill key positions see it, what Mr. Reagan did initially was to diminish the role of the national security adviser, Richard A. Allen, and the elevating Secretary of State Alexander M. Haig Jr., thus creating a vacuum in power and responsibility. They say the

power vacuum has since been filled largely by Mr. Meese and by others in the White House who lack a background in foreign affairs.

The responsibility for coordinating the views of different agencies and insuring that the President receives an accurate accounting of facts and choices, a role that used to be filled by national security advisers like Henry A. Kissinger and Zbigniew Brzezinski, is seen as being filled on an ad hoc basis, and sometimes not filled at all.

Officials from all departments and agencies involved, including the White House staff, describe the consequences as follows:

Sometimes the process is so centralized, so tightly held among the President and his political advisers, that no one with any expert knowledge is present and little staff work is done. This was the case in the recent decision to deploy the new MX missile in fixed silos.

At other times, the system is so loose that top advisers can argue with each other in public for weeks. This happened recently when Defense Secretary Caspar W. Weinberger, Mr. Stockman and James Baker 3d, the White House chief of staff, differed over how much to cut military spending.

At still other times, the operation is so disorganized that the President risks his whole leadership position — as in the failure for months to prepare for the current battle with Congress over the proposed sale of A-7C aircraft to Saudi Arabia.

Often decisions are made at the top in the White House without proper regard for the consequences on other matters. This was the case on the proposed sale of F-16 fighter-bombers to Pakistan and Venezuela. Little or no consideration was given to the impact of those sales on the desire of the Administration to sell the new FX aircraft now under development as a less sophisticated substitute for the F-16.

Lack of Clear Policy Seen

The refrain most often heard from Foreign Service officers, military leaders and political appointees alike is that the Administration has not fashioned policies. There is nothing that they would call a policy toward the Soviet Union, China, the Middle East or most other parts of the world, they say.

Most of the officials who make these criticisms expressed support for the thrust of Mr. Reagan's national security

policy. They praised the clarity of the President's goals and the general political skills of the White House team refreshing as compared with those of the Carter Administration.

At the same time, they believe that there has been more than the usual amount of delays, mixed signals and policy voids. If the situation persists, they say, the Administration is bound to lose the confidence of foreign leaders that is vital to the conduct of diplomacy.

The picture that emerges from the interviews with the national security hierarchy of the Administration is this:

President Reagan is said to be able to command support and unity from his principal subordinates, unlike many of his recent predecessors, when he makes clear-cut decisions, but he does not make many and his involvement is episodic.

Allen in a Secondary Role

Mr. Allen, the national security adviser, and his assistants now play a clearly secondary staff role and not the traditional role of adjudicators and coordinators of different departmental views. With some notable exceptions, Mr. Allen's staff is seen by other officials as bureaucratically unskilled and highly ideological.

Mr. Allen's role was described by Mr. Meese as that of "note-taker" in the new and important National Security Planning Group, where the politics of national security policy is freely discussed. This is an informal group, similar in composition to the National Security Council but without the presence of the Chairman of the Joint Chiefs of Staff or any staff aides.

Secretary of State Haig is described as in a kind of nether world, stronger than in the early days of the Administration but still uncertain of his political standing, free to run diplomacy but at the end of a very short tether. Aides say that he raised only perfunctory objections to the recent deal to sell a large amount of grain to the Soviet Union, whereas at the outset of the Administration he put up a major fight to prevent the lifting of the grain embargo imposed by President Carter.

Mr. Weinberger, always able to get the President's ear, is free to make defense decisions on a long rope and is even permitted to speak freely on foreign policy questions. He can make decisions on matters such as the deployment of sea-launched cruise missiles, an issue of great political importance in NATO, with almost no State Department involvement.

More Power for C.I.A. Chief

William J. Casey, the director of Central Intelligence, who is now a full member of the Cabinet, has reached well beyond the role of simply providing intelligence estimates, and offers recommendations on a wide range of policy issues. Mr. Meese called him "virtually a full

CONTINUED

BROWN DAILY HERALD
Brown University
19 October 1981

Letters to the Editor

Casey

To the editor:

Last Thursday evening was the first time I have ever been embarrassed to be a student here at Brown. I was caught completely off guard by the behavior of many of those persons attending the lecture given by Director Casey. I thought I was having a bad dream! This couldn't be Brown University. This couldn't be the place where ideas, both popular and unpopular, are discussed openly in a calm, intelligent and scholarly manner. Alas, it wasn't a dream. It was Brown, it was ugly and it was embarrassing.

I realize that all of the Brown students didn't disrupt the lecture. In actuality, it may have been the actions of a select minority. However, I do fear that those actions did reflect poorly on all of us as a group. Mr. Casey couldn't possibly have come away with a very good impression of us or our university.

In an effort to be somewhat concise, I will try to sum up my feelings. I direct my words to those people whose outbursts moved me to pen and paper. Your antics furthered no cause. Your disruptions brought you no closer to your goals. Alas, you have not even enlightened us by the force-feeding of your views. Criticism, especially at a university such as ours, is not something to be muzzled. Instead, it should be nurtured. It is by the rigorous critique of new ideas that the cause of knowledge is furthered. Stifling Mr. Casey's speech under the guise of criticism does not qualify. The acts perpetrated Thursday by you seem to be precisely of the type

which you protest.

One final note. The majority of students here at Brown are intelligent, critical and discriminating. What in the world gave you the idea that we needed you as nannies to keep us from being duped by what you would call Mr. Casey's propaganda? If the feeble and juvenile conduct we witnessed Thursday evening reflects the extent of your powers of persuasion, I dare no one will ever be persuaded.

David S. Mandel '82

To the editor:

I am frightened by proposals to heighten surveillance of U.S. citizens at home and abroad, and I am frightened by the renewed cold war approach to foreign policy. What frightens me the most, however, is threats to our freedom of speech, such as this one Thursday evening at Alumnae Hall.

Freedom of speech is the right of every American, whether he or she be William Casey or a student at Brown University. To be well informed one must listen to all sides of an issue, and others must be allowed to hear the information as well.

There is need for confrontation on crucial issues such as those raised by the C.I.A. Expressing one's views through catcalls, hissing and interruption, however, is a breach of the First Amendment. It is rude and discredits the ideas of the dissenters.

The disturbance during Casey's speech did not enlighten anyone on the opinions of those opposing his views. It did succeed in violating his civil rights, as well as those of the audience trying to listen to him. It is through articulate questioning, the press, and constructive action that one is heard.

Debbie Crowell

To the editor:

I would like to respond to an accusation made by the dean of students John Robinson '67 against the Democratic Socialist

accusation that borders on slander.

In discussing disciplinary action against students participating in a protest at the William Casey lecture, he "tentatively identified" protesters as members of the DSOC chapter on campus. He implies that this was somehow a DSOC-sponsored action.

Nothing could be further from the truth. Individual members of the group may approve or disapprove of the action, but no organizational endorsement was ever made. (We did, however, actively support the picket as DSOC).

Of the 20 people participating in the poem reading, two or three may have been DSOC members. But, if individuals belonging to an organization participate in an activity, this does not mean that their group is involved or even approves of the action.

Dean Robinson's accusation is an affront to the members of DSOC who did not participate or approve of the inside protest, and to individuals involved in the reading of the poem who do not want to be associated with DSOC.

Stefan Ferreira Cluver '83
Member, DSOC

Brown University

19 October 1981

U. will bring charges against students for anti-Casey 'Jabberwocky' protest

By BRET MAIDMAN

The university will bring formal disciplinary charges against about eight students positively identified as being among 15 to 20 protesters who disrupted Central Intelligence Agency William Casey's speech Thursday night, dean of students John Robinson '67 said yesterday.

The three-minute interruption came 10 minutes into Casey's speech, when the students stood up to recite the lines from Lewis Carroll's poem "Jabberwocky." The reading was meant to protest "the one-sided nature of the lecture series," said Stefan Cluver '83, one of the students formally charged today under the articles of the University Council on Student Affairs (UCSA).

Students outside Alumnae Hall also picketed the lecture series, which is under sharp attack from professors and students for its conservative nature.

Inside Alumnae, Casey's speech on the importance of the nation's intelligence community was frequently interrupted by scattered heckling and catcalls.

Robinson noted that only the students involved in the longer interruption will be charged, asserting that they rose on cue and that their protest was "not spontaneous but planned."

Robinson said the UCSA, the campus judicial body composed of students, faculty and administrators, will probably have its first hearing on the incident next Monday.

The board can impose a range of penalties, from a formal reprimand to suspension or dismissal for the offense, listed in the UCSA regulations as "Behavior which disrupts or materially interferes with the exercise by others of the basic rights to which they are entitled on University property or at university functions."

Stole the show

"The students who participated in the protest quite deliberately stole the show and deprived the right of the speaker to speak and the audience to listen," Robinson charged.

He said other students he had spoken with were "embarrassed for the whole community" by the actions of the protesters inside Alumnae. "(The protesters) had put student protest in jeopardy as a consequence of the way they acted," he added.

"It was an interruption, not a disruption in any case," Cluver countered, adding that Casey had two hours to state his point of view and that the protesters had only used "two minutes to have some kind of discourse go on."

Sharon Cohen '82, who took part in the protest, agreed. "It was a little thing we could do to make people think about what was happening there and what Casey was saying."

Cluver also said that "Casey's lecture was very unacademic," and that the Olin lecture series was a propaganda effort "to instill a particular political point of view."

Play hide and seek

Robinson said the protesters brought up "a question of values and fundamental issues in education."

Robinson asked that the students who took part in the interruption identify themselves. "If you're going to use civil disobedience you are not going to run and hide when it comes to the consequences of your behavior," he said, commenting on the apparent hesitancy of some of the protesters to come before the administration.

"To run and play hide and seek is juvenile," he added. "I get kind of mad just thinking about it."

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ON PAGE A13

THE WASHINGTON POST
19 October 1981

EXECUTIVE NOTES

PARTNERSHIP IN POWER

... Joe diGenova and Victoria Toensing met at the Republican National Convention in Detroit last year. They got married in June. Now they're on their way to becoming the most powerful household in the U.S. Senate, on a staff level at least.

DiGenova, a longtime aide to Sen. Charles McC. Mathias (R-Md.), is staff director and chief counsel of the Senate Rules Committee where Mathias presides as chairman. Toensing is expected to become chief counsel of the Senate Intelligence Committee, where she has been working since midsummer as a special assistant in the still-to-be-completed investigation of CIA Director William J. Casey.

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ON PAGE 64

NEWSWEEK
19 October 1981

Reagan's New Plan For a Tougher CIA

Can the intelligence needs of the United States be met without infringing on the civil liberties of its citizens?

Reagan Administration officials have been wrestling with that question ever since they began studying ways to ease restrictions on the CIA. It hasn't been easy: two early drafts of an Executive order replacing Jimmy Carter's guidelines governing U.S. intelligence agencies caused storms of protest, not only from civil libertarians, but also from conservatives who want a virtual repeal of Carter's order. Now a third draft has been completed—and a copy obtained by NEWSWEEK last week reveals that President Reagan wants to give the CIA extraordinary new authority to spy on U.S. citizens.

The proposals in Reagan's draft order are bound to create a constitutional furor. Carter's 1978 order, for example, was designed to prevent the CIA from repeating the abuses of the 1960s and '70s by barring agents from infiltrating domestic organizations. The Reagan order would overturn that provision by giving the CIA authority to collect information by infiltrating domestic groups and attempting to influence their activities if the Attorney General gives his approval. Some critics believe the new order is tailor-made to permit agents to penetrate groups with ties to foreign countries, such as lobbies promoting the interests of Israel, Northern Ireland and various Third World nations. The CIA would be barred from influencing the domestic activities of these lobbying groups, but agents conceivably could use their access to help shape the policies of the foreign country.

The order also proposes to relax rules governing CIA investigations of American citizens. Intelligence agents still won't be able to use wiretaps and other techniques that require court warrants when investigating citizens within the United States, but the new order would drop all restrictions on CIA physical surveillance of Americans traveling abroad. While the CIA's power to build dossiers on Americans was generally limited to people "reasonably believed" to be involved in such crimes as espionage and terrorism, critics say the new order would allow the CIA to gather all sorts of information, including private records such as telephone bills and medical records, about anyone in whom it was interested—including journalists or businessmen who are not breaking any laws.

Doubts: The American Union has branded the threat to civil liberties. the CIA's proposed draft being expressed by law-enforcement officials and CIA veterans. "These people seem to want a pre-1970 intelligence community," says one intelligence expert. "Their timing is atrocious," agrees an FBI official. "The CIA still hasn't regained the confidence of the public." There are enough doubts about the draft that a bipartisan group of senators last week submitted to the Administration a lengthy list of questions about the order. Unless the White House agrees to cooperate, says one Senate aide, "I don't see how we can go along."

In reality, Congress is powerless because an Executive order only needs the President's signature to become effective. But legislators troubled by the new order could frustrate other Administration efforts to strengthen the nation's intelligence network. Just last week, for example, the White House was rebuffed when the Senate Judiciary Committee unexpectedly rejected a bill making it a Federal crime to disclose the identities of American intelligence agents. Even though CIA director William Casey had lobbied personally for the bill, the Senate panel endorsed a milder version. Casey may still twist enough arms to carry the bill in a vote of the full Senate—but his task will be complicated by the larger controversy created by Reagan's plans for widening CIA activities at home.

MICHAEL REESE with ELAINE SHANNON and
GLORIA BORGER in Washington

NEW YORK TIMES
18 October 1981

SOVIET-TERROR TIES CALLED OUTDATED

J. S. Intelligence Officials Say Haig Based Accusation on Decade-Old Information

By LESLIE H. GELB

Special to The New York Times

WASHINGTON, Oct. 17 — Early Reagan Administration charges that the Soviet Union was directly helping terrorists were essentially based on information provided a decade ago by a Czechoslovak defector, according to senior intelligence officials.

"What we are hearing is this 10-year-old testimony coming back to us through West European intelligence and some of our own C.I.A. people," one official said. "There is no substantial new evidence."

The defector, Maj. Gen. Jan Sejna, was said to have been closely associated with Antonin Novotny, the Stalinist party leader of Czechoslovakia. The general fled to the United States in early 1968 after Mr. Novotny had been replaced by Alexander Dubcek, the leader of the short-lived liberalization period, which was ended by the Soviet-led military intervention in August 1968.

In 1972, the Central Intelligence Agency dispatched General Sejna to Western Europe to share his information on a number of subjects with intelligence agencies there, as is often done.

Sejna Reported Direct Link

General Sejna was said to have told Western intelligence agencies at the time that the Russians had trained terrorist groups like the Baader-Meinhof gang of West Germany and the Red Brigades of Italy.

American intelligence officials said there was little evidence to back up his assertion of direct Soviet involvement in international terrorism, though there is evidence of indirect links.

Last January, Secretary of State Alexander M. Haig Jr. said that the Soviet Union, as part of a "conscious policy," was "training, funding and equipping" international terrorists.

President Reagan said at the time that the Administration would give the combating of international terrorism high priority in foreign affairs.

Officials said the State Department's own Bureau of Intelligence and Research later told Mr. Haig on several occasions that there was no hard evidence to back up his assertions, and that he was basically repeating the stories of the Czechoslovak defector.

The officials said it sometimes happened that information shared by the United States with others was recycled through the intelligence network and American military attachés abroad.

General Under C.I.A. Protection

General Sejna, who remains under C.I.A. protection, could not be immediately reached for comment. In response to an inquiry, a C.I.A. press officer said any questions to him would have to be relayed by letter.

After Secretary Haig's initial remarks, the C.I.A. prepared a study that the Director of Central Intelligence, William J. Casey, rejected as inadequate. He ordered other studies that, officials said, also did not satisfy his conviction about direct Soviet responsibility.

As described by officials, the judgment of the intelligence agencies is this: In the early 1960's, the Kremlin established training and support centers in the Soviet Union and in other countries for Libyans, Iraqis, North Koreans, Angolans, members of the Palestine Liberation Organization and others.

The purpose was to help these groups with guerrilla techniques and weapons for the early stages of what the Soviet Union calls "wars of national liberation."

But later some of these centers were used by the Libyans, the P.L.O. and others to train terrorist groups like the Baader-Meinhof gang, the Red Brigades and the Japanese Red Army.

No Direct Link to Soviet Seen

The Soviet Union almost certainly knew of these subsequent activities, and there is no evidence of Soviet efforts to block them. But there is also little evidence to show that the Soviet Union was in any way directing terrorist actions.

Some intelligence experts say "it should not be necessary to draw pictures," as one put it, to establish Soviet responsibility and Soviet benefit from the activities. Others say that the Soviet Union created the centers for one purpose — support of national liberation movements — and that the centers turned into Frankenstein monsters that could not be controlled.

There is also intelligence evidence that the Soviet leaders themselves have talked about the uncontrollability of these groups, and have referred to the terrorists as "adventurists."

In an interview, William E. Colby, the former Director of Central Intelligence, summed up what many other intelligence experts said: "Given the fact that the Soviets set these centers in motion, they are not without responsibility, and there is no evidence of their urging restraint on the terrorists."

Intelligence officials react with sensitivity to the subject of Soviet complicity in terrorist activities. Some feel that recent statements, including some by Administration officials, are really accusing the intelligence agencies of covering up links between Moscow and terrorists.

Officials said the feelings on the matter ran so high that the first and unsolicited C.I.A. report after Mr. Haig's statements was, in fact, written as a rebuttal.

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NEW YORK TIMES
16 OCTOBER 1981

Reagan Submits a Plan To Curb Information Act

By DAVID SHRIBMAN

Special to The New York Times

WASHINGTON, Oct. 13 — The Reagan Administration submitted to Congress today a proposal that would restrict use of the Freedom of Information Act and permit the Attorney General to keep secret selected information about terrorism, organized crime and foreign counterintelligence investigations.

Although the proposal did not give intelligence agencies the "total immunity" from the act that they had requested, Justice Department officials indicated that such a proposal would be submitted separately.

The proposal submitted today would narrow the obligation of all Government agencies to provide information on their internal operations, investigations and other activities. It would also limit requests under the act to American citizens and resident aliens. The act now permits anyone to request documents detailing Government activities.

Not for K.G.B. or Germans

"This bill was not intended to provide the K.G.B. or a German industrialist with information about the United States," Jonathan C. Rose, assistant attorney general for legal policy, said in remarks before a Senate subcommittee on the Constitution.

"We are fully committed to carrying out the philosophy and spirit of the act," Mr. Rose told the subcommittee. "We are, however, concerned that in some instances the Freedom of Information Act has been used in ways that are inconsistent with the original objectives of the Congress."

Law-enforcement and intelligence officials have long maintained that the act, which was broadened over former President Ford's veto in 1974, has jeopardized national security secrets, compromised law-enforcement investigations and opened sensitive business information to commercial competitors.

Under the proposal, the Attorney General would define the categories of investigations to be exempted from requests under the act. His decision would, however, be subject to court appeal.

Not Designed to Affect Press

In addition, the proposal would allow the Government to withhold information that would "tend to" disclose the identity of a confidential source of information. It would also exempt all information provided by a confidential source and would prohibit the release of records that might endanger law enforcement personnel, witnesses or potential witness.

In his testimony, Mr. Rose said the Administration's plan would not hinder the press. "A full and informed press is vital to the preservation of a democracy," he said. "Our proposal, we believe, is very moderate and limited, and not designed to affect the press."

Journalists have credited the act with helping them prepare a number of articles concerning health and consumer issues and with uncovering Government scandals and illegal intelligence operations. But Mr. Rose said the act had become a "highly overrated" tool.

The Administration proposal drew immediate criticism from Jack C. Landau, director of the Reporters Committee for Freedom of the Press.

Action Expected in Senate

"These are not minor modifications or fine-tuning of the act; these are a frontal assault on the act," Mr. Landau said. "The kind of Government accountability we've known will not exist if the Administration bill is passed."

The Justice Department expects the Senate to deal with amendments to the act this fall, but action in the House is not expected until next year.

The Administration has not announced when it will submit the bill giving the Central Intelligence Agency, Na-

tional Security Agency and Defense Intelligence Agency total exemption from the act. Although he refused to disclose details, William J. Casey, Director of Central Intelligence, testified last month that "sensitive intelligence information" had unintentionally been released while the C.I.A. was complying with the act.

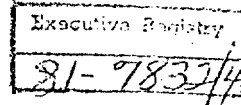
Other parts of the proposal submitted today would preclude persons involved in administrative or judicial proceedings from using the act as a tool of discovery.

It would permit the Government to charge for documents that provide information with a commercial market value and allow it to adjust fees for responding to requests.

It would also require the Government to notify an individual or business that had supplied commercially sensitive information and permit them to contest the release of that data.



Brown University
PROVIDENCE, RHODE ISLAND



Box 5679
Brown University
Providence, RI 02912
(401) 863-6580
October 16, 1981

Mr. William J. Casey
Director
Central Intelligence Agency
Washington, D.C. 20505

Dear Mr. Casey:

As American citizens who have a thirst for knowledge of American foreign policy and world intelligence gathering capabilities and as seniors at Brown University, one of whom is a student of Prof. Lyman Kirkpatrick, we would like to sincerely thank you for visiting our Providence campus last evening and elaborating on the operations of today's Central Intelligence Agency.

We must admit that we were outraged by the display of juvenile, animalistic, and foolish behavior on the part of some of our fellow students. The disrespect shown by these vociferous "moral minority" academicians offends our sense of civil manner and respect which promotes an exchange of ideas through rational conversation and argument. This demonstration was totally uncalled for and is not representative of the Brown community as a whole. Unfortunately, many of these activists are ignorant of actual CIA functionings and rather than listening to you with courtesy and concentration, they chose to voice their individual protests and frustrations. Nevertheless, you deserve the highest compliment of diplomacy for listening to these offensive students with rationality and trying to explain to them factual information.

Our only comment concerning future lectures at college campuses by CIA personnel is perhaps you should distribute specific information about the topic to be discussed one to two weeks in advance of the appearance. As a result, better informed and attentive students will ask relevant and thoughtful questions as opposed to emotional replies and irrational statements.

We would like to apologize for the behavior of our peers.

Casey says the CIA won't spy in the U.S.

By THOMAS S. MULLIGAN
 Journal-Bulletin Staff Writer

PROVIDENCE — CIA director William J. Casey told a crowd of 1,000 at Brown University last night that despite President Reagan's recent move to relax restrictions on the agency's domestic activities, it will do "no spying" in the United States.

But Casey said he favors exempting the CIA from the Freedom of Information Act because it is "impossible to effectively command the cooperation of other governments" and of people offering secrets if they feel their identities or information are "subject to demand by any hostile power."

(The Reagan administration asked Congress yesterday to modify the act to protect trade secrets, criminal investigations and other information. Administration officials said they plan to submit a separate bill specifically exempting intelligence agencies.)

Alumnae Hall on Meeting Street was filled for Casey's speech.

A former chairman of the Securities and Exchange Commission who ran President Reagan's primary and election campaigns last year, Casey was the second of 12 speakers in a Brown lecture series sponsored by the John M. Olin Foundation of New York City. Adm. Stansfield Turner, CIA director under President Carter, opened the series on Oct. 1.

★ ★ ★

ABOUT 25 PROTESTERS interrupted Casey's remarks for three minutes when they rose from their seats and loudly recited Lewis Carroll's poem "Jabberwocky." Some people cheered the protesters, others booed them, and a few pelted them with wads of paper.

Outside the hall, other protesters

— one wearing a Richard Nixon mask — handed out leaflets objecting to Casey's presence and to the source of financing for the lecture series. John M. Olin, the leaflets said, was founder of the Olin-Mathieson Chemical Corp., which produced gunpowder for "more than 90 percent of the cartridges used in Vietnam."

During a question-and-answer session that followed Casey's speech, several questioners asked whether the CIA intended to resume the type of domestic surveillance that was undertaken during the Nixon administration.

"The CIA has no intention and no desire to operate within the United States," Casey said, adding that newspaper articles implying otherwise have been "way out of focus."

"THERE WILL BE no spying or activity on behalf of the CIA in the United States — that is solely the function of the FBI," Casey said, prompting a round of sarcastic applause.

Casey, in a brief history of American intelligence operations, said their main function from the 1940s through 1960s was to evaluate the weaponry of opposing powers. In the last decade, however, intelligence officials have concluded that the United States has been hurt more by foreign political coups, "economic aggression" and "tiny wars of so-called national liberation" than by the Soviet weapons buildup.

Technical and economic intelligence needs to be improved, Casey said, in order for the United States to evaluate how its defense may be undermined by strong competition from Japan, West Germany, Brazil, Korea and other countries in such industries as automobile and semiconductor manufacturing.

CONTINUED



Interruptions

CIA Director William Casey listens to a group of protesters, above, after they interrupted his remarks at Brown University with a loud recital of Lewis Carroll's poem "Jabberwocky." Some people cheered the protesters, others booed them and a few pelted them with wads of paper.

—Journal-Bulletin Photos by CANDACE FREELAND



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16 Oct. 1981

7PM-CIA-DOMESTIC:370

7NEW CIA DRAFT WOULD TEAR DOWN WATERGATE 'FENCE POSTS,' SENATOR SAYS

7BY ROBERT PARRY

7ASSOCIATED PRESS WRITER

WASHINGTON (AP) - WHILE THE REAGAN ADMINISTRATION WANTS ONLY A MODEST GROWTH IN THE CIA'S POWER, A DEMOCRATIC SENATOR WARNS THAT THE PROPOSED CHANGES COULD TEAR DOWN 'FENCE POSTS' ERECTED TO PREVENT WATERGATE-STYLE ABUSES.

BEHIND CLOSED DOORS THURSDAY, ADMINISTRATION OFFICIALS DEFENDED PROPOSED NEW CIA GUIDELINES, ANSWERING A SENATE INTELLIGENCE SUBCOMMITTEE'S LEGAL QUESTIONS ABOUT A DRAFT PRESIDENTIAL ORDER THAT WOULD GIVE THE AGENCY ITS FIRST AUTHORITY TO SPY ON U.S. GROUPS.

SEN. PATRICK LEAHY, D-Vt., SAID FBI REPRESENTATIVES TOLD THE PANEL THAT IN MOST AREAS THEY DID NOT SEE THE PROPOSED ORDER EXPANDING CIA ACTIVITIES INTO THE BUREAU'S JURISDICTION.

BUT LEAHY SAID HE STILL WAS CONCERNED ABOUT INJECTING THE CIA INTO DOMESTIC INTELLIGENCE TRADITIONALLY HANDLED BY THE FBI.

'THE WHITE HOUSE SEES THIS ORDER AS SIMPLY STREAMLINING' THE EXISTING RULES GOVERNING INTELLIGENCE AGENCIES AND ESTABLISHING 'SIGN POSTS' TELLING THE CIA WHAT IT CAN DO, LEAHY SAID.

BUT LEAHY ARGUED THE PROPOSED ORDER WAS 'NOT SO MUCH PUTTING UP SIGN POSTS AS REMOVING THE FENCE POSTS THAT WERE PUT UP AS A RESULT OF THE BITTER EXPERIENCES OF THE WATERGATE ERA.'

'I DON'T THINK ANYONE WANTS TO RETURN TO WATERGATE, BUT I'LL BE MORE COMFORTABLE IF THE FENCE POSTS ARE KEPT IN PLACE,' HE SAID.

PERHAPS THE MOST CONTROVERSIAL SECTION OF THE PROPOSED ORDER WOULD ALLOW THE CIA TO INFILTRATE DOMESTIC GROUPS AND - WITH THE ATTORNEY GENERAL'S ASSURANCE THAT CONSTITUTIONAL RIGHTS WILL BE PROTECTED - TO INFLUENCE THE GROUPS' ACTIONS.

IN PROVIDENCE, R.I., THURSDAY NIGHT, CIA DIRECTOR WILLIAM J. CASEY SAID THE CIA 'HAS NO INTENTION OF SPYING INSIDE THE UNITED STATES.'

'THAT IS SOLELY THE FUNCTION OF THE FBI,' CASEY TOLD A BROWN UNIVERSITY AUDIENCE. 'THE PURPOSE OF THE CIA IS TO ACQUIRE FOREIGN INTELLIGENCE AND GIVE ADVICE TO GUIDE THE FOREIGN POLICY OF THE UNITED STATES. I CAN ASSURE YOU THAT THE CIA HAS NO INTENTIONS, NO DESIRE, TO CONDUCT INTELLIGENCE OPERATIONS IN THE UNITED STATES.'

THURSDAY'S SENATE TESTIMONY FROM JUSTICE DEPARTMENT AND FBI OFFICIALS CAME AMID SIGNS THAT THE REAGAN ADMINISTRATION MIGHT BE WILLING TO MAKE LIMITED CHANGES IN THE PROPOSED ORDER.

'WE'RE GOING TO SEE SOME MODIFICATIONS FOR CLARITY,' SAID SEN. HARRISON SCHMITT, R-N.M. BUT HE ADDED: 'I WOULD EXPECT IT WILL BE SIGNED ESSENTIALLY AS IT IS.'

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THE BALTIMORE SUN
16 October 1981

Reagan administration seeks to tighten Freedom of Information Act provisions

By Curt Matthews
Washington Bureau of The Sun

Washington—The Reagan administration yesterday proposed to tighten procedures for access to material under the Freedom of Information Act.

Jonathan C. Rose, assistant attorney general for the Justice Department's office of legal policy, told a Senate panel that the administration is "firmly committed to... the Freedom of Information Act," but then urged passage of amendments to the act that would significantly narrow access to government information.

In comments at a press conference after his testimony before the Senate's subcommittee on the Constitution, Mr. Rose said that one proposal supported by the administration is total exemption of the Central Intelligence Agency from provisions of the act. Though he made no formal reference to that proposal in his testimony, he said it would be presented later to Congress as a separate amendment to the National Security Act of 1947.

One change Mr. Rose recommended would permit business executives in effect to veto release of information submitted to the government by claiming that it "may" hurt a company's competitive or financial interests if made public.

Since 1974, under a federal court ruling, the scope of the FOIA has allowed a business to insist on such confidentiality only if disclosure is "likely" to cause "substantial harm" to its competitive position.

The business community has been the greatest source of requests for information from the government since enactment of the FOIA. Some agencies, such as the Food and Drug Administration and the Department of Transportation, receive more than 80 percent of their freedom of information requests from corporations seeking data about competitors.

Another proposal, which could shroud in secrecy important decisions by such agencies as the Securities and Exchange Commission and the Federal Trade Commission, would exempt "records generated in connection with settlement in a legal action."

Many of the most serious charges brought by the SEC and the FTC against major corporations are settled out of court.

The FOIA, passed in 1966, was considerably strengthened in 1974 as part of the broad legislative reaction to the Watergate scandals. The law requires govern-

ment agencies to respond promptly to requests for information except in cases where disclosure would invade privacy, damage national security or otherwise interfere with the public interest.

However, in recent years there has been increasing concern that the law has been used in ways that interfere with law enforcement, burden government agencies with paper work or serve special interests rather than the public interest.

In his testimony yesterday before the Senate subcommittee, Mr. Rose said some provisions of the act have also required expensive compliance. He noted that it has cost the federal government more than \$500,000 to fulfill the freedom of information requests submitted by Philip Agee, a former CIA agent who has mounted a campaign to "expose" the CIA.

Mr. Rose said during his testimony that the administration took no position regarding proposals by CIA director William Casey that the agency be exempt from provisions of the act. However, he said later at a press conference that Mr. Casey's position was also the administration's and would be supported by the Justice Department.

Among other FOIA changes proposed yesterday are:

- An end to use of the act as a means of discovery by parties involved in litigation. Lawyers have increasingly called on the government to dig up data to support arguments they intend to make in court. The filing of freedom of information requests has also been used as a delaying tactic.

- A general tightening of language throughout the act to prevent what the Reagan administration officials see as "unwarranted invasion of personal privacy," injury to legitimate commercial interests or interference with effective intelligence work. The administration maintains that the possibility of disclosure makes it more difficult for the government to obtain confidential information from private sources.

- A new system of fixing fees for the processing of freedom of information requests that would allow the government to

recoup the costs of searching out, reviewing and duplicating information requested.

Though the amendments proposed by the administration include language that limits use of the act to "United States persons," Mr. Rose acknowledged at his press conference that it would be difficult if not impossible to prevent foreign interests from seeking information under the act.

"If someone is determined to operate in bad faith," he said, "it is almost impossible to stop them."

He said the controversial nature of the bill "virtually guarantees" it will receive a great deal of attention as it passes through Congress and the administration anticipates changes.

He added that the Senate may act on the legislative proposals before the end of this year, but the House of Representatives is not expected to consider the administration's proposals until next year.

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THE WASHINGTON POST
14 October 1981

The Reign Of Spain

State Dinner for King Juan Carlos & Queen Sofia

By Elisabeth Bumiller

Other guests included designer Adolfo, CIA director William Casey, New York philanthropist End Haupt, Washington Post Co. chairman of the board Katharine Graham, dancer Edward Villella, former Supreme Court justice Potter Stewart and CBS reporter Mike Wallace.

Walter Scott's personality parade

Q. *In your opinion, which are the two best and two worst appointments President Reagan has made to date?—J.G.A., Tucson, Ariz.*

A. Two of the best: James Baker III as White House chief-of-staff and Sandra Day O'Connor as Associate Justice of the Supreme Court. Two of the worst: James Watt as Secretary of the Interior and William Casey as Director of Central Intelligence.



Hits: James Baker III and Sandra Day O'Connor...



...and misses: James Watt (l) and William Casey

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NEW YORK TIMES
9 OCTOBER 1981

More U.S. Lie Tests Asked to Widen Data Access

By JUDITH MILLER
Special to The New York Times

WASHINGTON, Oct. 8 — The Reagan Administration is weighing yet another proposal that would broaden the use of so-called lie detectors to provide thousands of Federal officials with access to highly classified intelligence information, according to Administration officials.

The officials said that several months ago a subcommittee of the Director of Central Intelligence's Security Committee asked various executive agencies to evaluate expanded use of lie detectors, or polygraphs.

An official said that the subcommittee, made up of security officials from several agencies, had proposed expanded use of the machine as a means of strengthening protection of classified information and lowering the cost of Federal screening of employees who see the information.

Similar ideas have been rejected by previous Administrations. The new proposal is termed very preliminary, but it has already generated opposition from officials in the Departments of State, Defense and Justice, the Administration officials said. A Justice Department official said that in his view it was "unlikely" that the Reagan Administration would approve of the move.

A State Department official called the proposal "an outrageous proposition," adding, "Foreign Service officers would never accept this."

At the moment the Central Intelligence Agency and the National Security Agency require employees to submit to such tests periodically. Under the new proposal, polygraph tests would be used first to supplement initial background checks on officials who have access to highly classified information and then to substitute for background investigations routinely conducted after five years of Government service.

The proposal would include those Fed-

eral officials who have access to "sensitive compartmented information" — that is, classified information given only to those who have a demonstrable need for access to it. If the proposal was adopted, it would constitute a sharp expansion of reliance on polygraph examinations for use in security clearances and as a deterrent to unauthorized disclosure of classified information.

How Lie Detectors Are Used

A polygraph records various bodily reactions in response to sets of questions. Its use in government has been controversial, and the value of such tests is a matter of debate among lawyers and scientists.

Although polygraphs are being increasingly employed in investigations by local, state and Federal authorities and by private industry, the Justice Department maintains, for example, that such data should not be admitted in Federal criminal trials because of questions about the tests' reliability.

The security committee makes recommendations to William J. Casey, the Director of Central Intelligence, about ways in which protection of intelligence information can be improved. The Justice Department has not yet made a recommendation to the subcommittee, but one Justice Department official said that there was considerable opposition in the department.

Backed by Intelligence Aides

The proposal is said to have strong support, however, from some current and former intelligence officials. Adm. Bobby R. Inman, Deputy Director of Intelligence and former head of the National Security Agency, has frequently endorsed expanded use of polygraph tests to prevent "leaks" of sensitive information to the press, and of speeding security checks of intelligence officials, which are time-consuming and expensive.

Officials said that Frank C. Carlucci, the Deputy Secretary of Defense and a former Deputy Director of Central Intelligence, has also privately expressed some support for the proposal.

Letters

To Protect America's Intelligence Efforts

To the Editor:

Your Sept. 28 editorial "A Dumb Defense of Intelligence" incorrectly represents the position I have taken on legislation to protect the identities of covert agents. I have consistently supported and advocated the Senate language in S.391 and H.R.4, as amended and passed by the House on Sept. 23, as more certain to be effective in ending the pernicious unauthorized disclosures which are jeopardizing our nation's intelligence efforts and threatening those engaged or assisting in difficult and dangerous assignments abroad.

Opponents of this crucial legislation, in an effort to delay and obstruct final enactment, are quick to allege its constitutional infirmity. However, the legislation in its current form has had the bipartisan support of the Carter and now the Reagan White House and Justice Departments. We are confident

that it will pass constitutional muster.

There is no doubt that disclosures of agent identities constitute a clear danger to this nation's first line of defense, its intelligence apparatus. Recently, the U.S. Supreme Court, in *Haig v. Agee*, stated that such "conduct . . . presents a serious danger to American officials abroad and serious danger to the national security" and that these disclosures ". . . clearly are not protected by the Constitution."

We can no longer afford delay. Every day means more unauthorized disclosures, more operations compromised, more lives endangered, more loss of confidence in our ability to keep secrets on the part of foreign intelligence services willing to cooperate with us. The Senate should delay no longer.

WILLIAM J. CASEY
Director of Central Intelligence
Washington, Sept. 29, 1981

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THE WASHINGTON POST
8 October 1981

Polygraph Tests Urged for Top Security Posts

Los Angeles Times

A government-wide security committee has recommended to CIA Director William J. Casey that thousands of federal officials with special clearances for classified material take lie-detector tests.

The proposal is drawing sharp objections from career government officials on philosophical and practical grounds, sources said.

Under the proposal, those holding the special or "compartmented" security clearances—as distinguished from the usual levels of classified, secret and top secret—for work in a particularly sensitive area would have to submit to a polygraph examination to retain the clearance.

Some of the special clearances, often designated by a single letter or two, are so sensitive that they cannot be referred to by a person holding one or more of them unless he is certain the person he is communicating with holds the same clearance.

Richard K. Willard, counsel for intelligence policy at the Justice Department, acknowledged that the polygraph proposal is under consideration, but said it was at "a very preliminary stage."

He said the proposal was advanced earlier this year, "but not as a result of a political decision by this administration."

Other sources, who declined to be identified, said the proposal emanated from the security committee, which includes officials responsible for security at various government agencies, ranging from the Justice Department to the National Security Agency and the CIA. The committee reports to Casey.

Adoption of the proposal would mark a sharp expansion of reliance on the polygraph as a clearance device for those engaged in security work. The CIA regularly uses the polygraph for all of its employees, while the FBI does not.

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LOS ANGELES TIMES
8 OCTOBER 1981

Lie Tests Urged for Officials With High Security Clearances

By RONALD J. OSTROW, *Times Staff Writer*

WASHINGTON—A governmentwide security committee has recommended to CIA Director William J. Casey that thousands of federal officials with special clearances for classified material take lie-detector tests, The Times learned Wednesday.

The proposal is drawing sharp objections from career government officials on philosophical as well as practical grounds, according to sources familiar with the matter.

Under the proposal, those holding special or "compartmented" security clearances—as distinguished from the usual levels of "classified," "secret" and "top secret"—for work in a particularly sensitive area would have to submit to a polygraph examination to retain the clearance.

Some of the special clearances, often designated by a single letter or two, are so sensitive that they may not be referred to by a person holding one or more of them unless he is certain the person he is communicating with holds the same clearance.

Richard K. Willard, counsel for intelligence policy at the Justice Department, acknowledged that the polygraph proposal is under consideration but said it was at "a very preliminary stage." He said the proposal had been advanced earlier this year, "but not as a result of a political decision by this Administration."

Other sources, who refused to be identified, said the proposal emanated from the Security Committee. Serving on the committee are officials responsible for security at various government agencies, ranging from the Justice Department to the National Security Agency and the CIA. The committee reports to Casey in his capacity as director of general intelligence.

Expansion of Polygraph Use

Adoption of the proposal would mark a sharp expansion of reliance on the polygraph as a clearance device for those engaged in security work. The CIA regularly uses the polygraph for all of its employees, but the FBI does not.

Some sources familiar with the proposal said the objections raised to requiring polygraph tests throughout the government were so sharp that they thought the proposal had been killed.

Others, however, said they thought it had been shelved, awaiting outcome of the expected sharp debate over President Reagan's new executive order on intelligence, which is likely to be issued later this month.

"I'm not aware that it has been formally shelved," Willard said.

A spokesman for Casey at the CIA refused to comment.

Although the proposal has no direct connection to the coming executive order, sources said the "climate" for introducing the more stringent security measure would not be right during any controversy over the order.

Some officials who object to instituting the lie detector tests contend that it would be pointless to routinely subject American government employees to polygraph examinations dealing with information that is shared with friendly foreign intelligence agencies. Others protested on more philosophical grounds when the proposal was circulated earlier this year.

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NEW YORK TIMES
16 OCTOBER 1981

2 Democrats Object to Reagan's Plan

By JUDITH MILLER

Special to The New York Times

WASHINGTON, Oct. 15 — Guidelines proposed by the Reagan Administration for the Central Intelligence Agency that would expand its activities into domestic matters jeopardize Congressional support needed to rebuild the nation's intelligence capacities, two senior Democrats said today.

Senator Daniel Patrick Moynihan, Democrat of New York, vice chairman of the Senate Select Committee on Intelligence, said that a proposed executive order governing intelligence activities "guaranteed" that the agency and the intelligence community would "suddenly be revived as a threat to liberties internally."

In an interview, he also said that an appearance of "politicization" was created by President Reagan's appointing people from his campaign to senior intelligence posts.

"You couldn't put together a set of evidence that would more persuade those willing to be persuaded that the agency had become a covert political instrument of the executive branch of government," Mr. Moynihan said.

While he added that he did not believe this to be true, the New York Democrat said he was "appalled and alarmed" by the Administration's "lack of sensitivity" to the implications of its actions for the intelligence community it seeks to strengthen.

Mr. Moynihan said that he had not discussed his concerns with Central Intelligence Agency officials or with Richard V. Allen, the President's national security adviser, who has been a strong proponent of the proposed order.

However, Senator Patrick J. Leahy (D-Vt.), ranking minority member of the subcommittee, which is reviewing the proposed order, said in an interview that he had discussed these and other concerns with intelligence officials, and at a breakfast meeting yesterday with Mr. Allen.

"I warned them that if they proceed with this extension of the CIA into the domestic arena, they will destroy a great deal of bipartisan support up here and the credibility needed to build up intelligence capabilities," Senator Leahy said.

The document at issue is the third draft of a proposal that would grant American intelligence agencies broad authority to infiltrate domestic organizations and to review bank, medical, telephone and other private records. Details of the 23-page proposal were disclosed last week, but Senate committee members declined to discuss the order at that time.

The proposal would have the force of law if signed by President Reagan; it is not subject to Congressional approval. It would replace Executive Order 12036, the basic framework for all intelligence activities, signed by President Carter on Jan. 24, 1978.

The Central Intelligence Agency and Mr. Allen have been seeking greatly expanded authority to strengthen the intelligence agencies' ability to collect information about Americans and foreigners living in the United States who may pose a threat to the nation's security.

However, the proposal has been vigorously attacked in private by several members of the House and Senate panels on intelligence, and by civil liberties groups. For example, Jerry J. Berman, legislative counsel to the American Civil Liberties Union, said today that the proposal constituted "an extensive expansion of C.I.A. authority to conduct surveillance on innocent Americans in the United States."

Similar concerns were aired today by several members of the Senate Intelligence Committee, who questioned Justice Department officials about the order in what one official described as a "highly contentious session."

Senator Leahy said that the Justice Department officials said that the powers of the intelligence agencies would be "clarified" by guidelines now being drafted by the department. Mr. Leahy said, however, that there was no reason why such "fenceposts" should not be included in the order itself.

Senator Moynihan described the executive order as the latest in a series of Administration actions concerning the intelligence community that he considered "profound mistakes."

Mr. Reagan's first error, Mr. Moynihan said, was the appointment of "the most political person in his campaign," William J. Casey, former campaign director, as Director of Central Intelligence. Mr. Moynihan called the appointment of such a figure to the post "unprecedented."

Then, Max C. Hugel, a former cam-

agency's clandestine operations, the second most sensitive intelligence post, Mr. Moynihan continued.

Senator Moynihan said that he was especially critical of Mr. Hugel's selection because Mr. Hugel was the "protégé" of William Loeb, the late publisher of the Manchester Union Leader, a conservative New Hampshire newspaper. Mr. Moynihan said that it was Mr. Loeb who had accused Vice President George Bush, who was then challenging Mr. Reagan in the New Hampshire primary, of running a campaign in Iowa that had "all the smell of a C.I.A. covert operation."

Mr. Hugel resigned his post last July after reports of financial misconduct when he was in private business, before he took the post, charges he called unfounded, unproven and untrue.

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ON PAGE 9-4

BALTIMORE SUN
7 October 1981

Senate panel votes 9-8 to make it tougher to get convictions under spy disclosure law

Washington (AP) — The Senate Judiciary Committee voted 9-8 yesterday to require that anyone prosecuted for publicly disclosing the name of an American spy must have the intent to "impair or impede" U.S. intelligence operations.

The Republican majority on the panel appeared surprised by the vote in support of the proposal by Senator Joseph R. Biden, Jr. (Del.), the senior Democrat on the committee.

At issue are what prosecutorial standards should be applied under the Intelligence Identities Protection Act now moving through Congress.

Two weeks ago, the House approved a version under which a journalist or researcher could face jail terms of up to three years and a fine of \$15,000 if there was "reason to believe" that disclosure of a spy's identity would damage U.S. intelligence activities abroad.

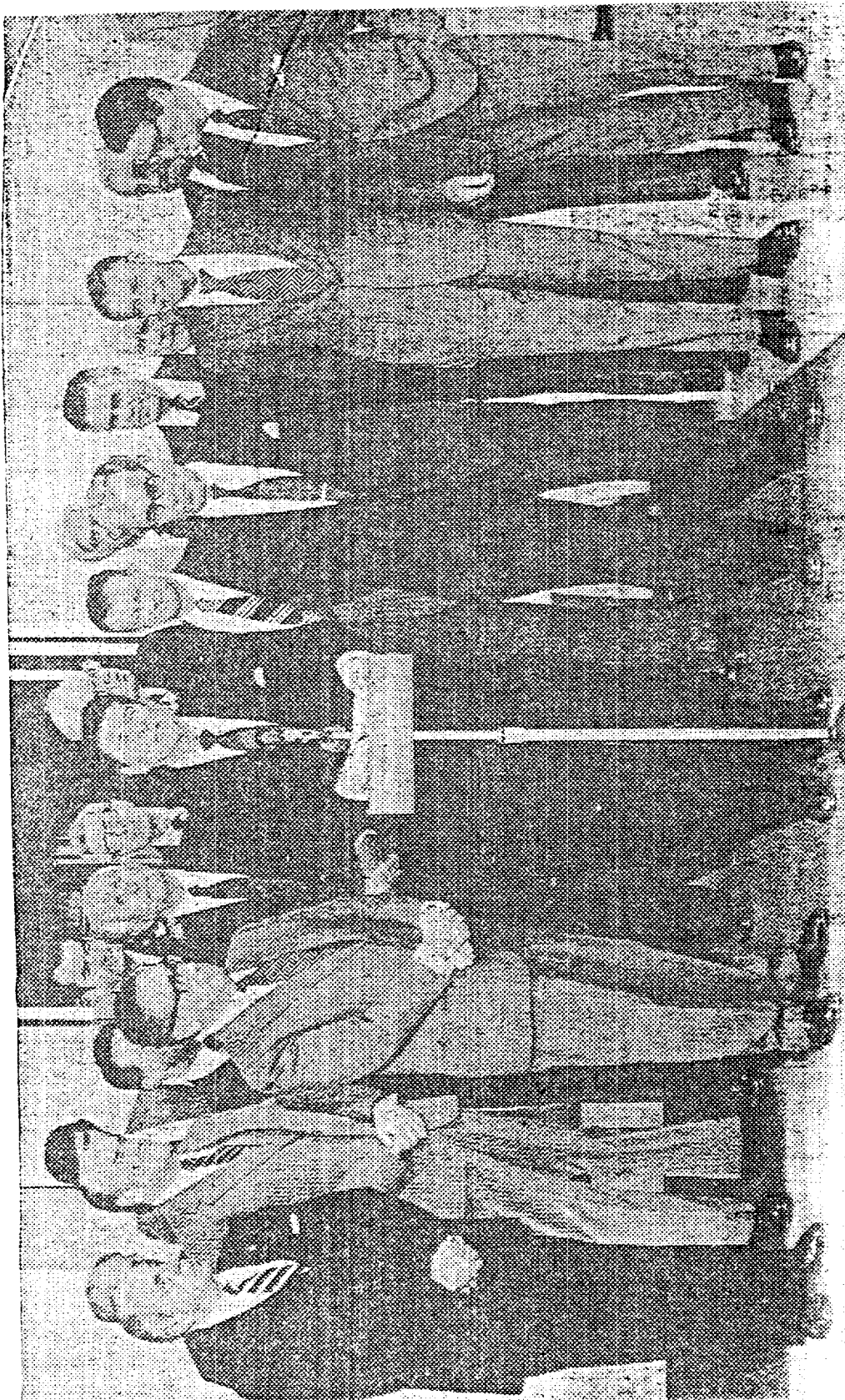
That proposal has been strongly opposed by the Ameri-

can Civil Liberties Union and various newspaper and broadcast organizations who say it is open to abuse against reporters who write critical stories about American intelligence activities without intending to expose any particular American agent.

Senate sources said CIA Director William J. Casey lobbied heavily for the version of the legislation approved by the House.

But two Republicans — Arlen Specter (Pa.) and Charles McC. Mathias, Jr. (Md.) — joined with seven Democrats to approve a version making it tougher for a federal prosecutor to bring a case against someone alleged to have identified or exposed a covert agent.

The committee also voted 11-7 to formalize existing CIA policy prohibiting the use of Peace Corps volunteers as CIA agents. Both amendments were part of an overall intelligence proposal which was approved 17-4.



By Frank Johnston - The Washington Post
Harold Brown, James Buckley, Gordon Gray, Robert McNamara, Walt W. Rostow and Elliot Richardson.

Henry Kissinger, Gen. David Jones, Adm. Thomas Moorer, Fred Ikle, William Casey, Zbigniew Brzezinski,

Supporters of the AWACS sale who met with Reagan are: (visible from left) Lyman Lemnitzer, Melvin Laird,

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ON PAGE 26 1

TIME
5 OCTOBER 1981

Loose Lips

Tightening up on secrets

Like many of its predecessors, the Reagan Administration would like to clamp down on the unofficial disclosure of sensitive Government information. That intention received a major boost last week when the House passed an unexpectedly tough bill outlawing the unauthorized identification of undercover agents if such a revelation would "impair or impede" U.S. intelligence operations. The measure quickly raised objections from legal scholars, journalists and civil libertarians.

Revelations about the CIA, notably by former Agents Philip Agee and Frank Snepp, have provoked a widespread desire in both Congress and the White House for laws that would help prevent such disclosures. The House Intelligence Committee last July produced a bill that would punish only those leakers who demonstrated intent to impair intelligence operations deliberately. That would have exempted from prosecution journalists and others whose purpose in disclosing an agent's identity is not to harm intelligence gathering but merely to report on U.S. activities abroad. But the full House last week adopted a stern amendment offered by Republican John Ashbrook of Ohio that would make it a felony to disclose the identity of intelligence agents, even when the names come from publicly available information. A bill similar to Ashbrook's, now before the Senate Judiciary Committee, is likely to be passed by the Senate in the current session.

Opponents of the Ashbrook measure argue that it would restrict First Amendment rights of freedom of speech and of the press by preventing private citizens from exposing illegal intelligence activities and from publishing information that may already be in the public domain. Ashbrook counters that identifying secret agents "is not now, nor has it ever been, a civil or constitutional right."

The day after the House action, CIA Director William Casey told a Senate Judiciary subcommittee that U.S. intelligence organizations should be exempted from the Freedom of Information Act. The act, he testified, "seriously impairs intelligence functions without significant public benefit." Earlier, the Justice Department repealed Carter Administration guidelines that limited the Government's ability to prosecute federal employees who disclose sensitive information. Attorney General William French Smith and Deputy Secretary of Defense Frank Carlucci have sent their top aides what one calls "threatening little memos" about unauthorized leaks. Though other Administrations have had little success at finding ways to plug such leaks, the Reagan team seems determined to try.

NEW YORK NEWS-WORLD
5 October 1981

Casey's case for amending Info Act

The case for amending the Freedom of Information Act is, that the act appears sometimes to be too free with its information. The unintelligent way in which the act applies to the Central Intelligence Agency is a case in point.

The trouble, said CIA Director William Casey, is that the agency has inadvertently released vital secrets while complying with requests under the Freedom of Information Act. While some of this could be just plain carelessness, there are indications that the act is too broadly constructed.

Casey urged Congress to exempt the CIA entirely from the act, which requires government agencies either to divulge requested information or explain why it cannot be legally released.

The director told a Senate Judiciary subcommittee that, although CIA officials thoroughly scrutinize the requests for information, human error has resulted in

the release of major secrets that have endangered lives.

Casey said that as a result of the act, 15 foreign intelligence agencies either have stopped cooperating with American intelligence entirely or have restricted their involvement in joint operations and shared information.

Potential secret agents and intelligence sources abroad fear that the act will lead to their identification, and therefore are cooperating less than before the CIA became subject to it in 1974, Casey told the senators.

Casey called on the Senate to pass legislation similar to that approved by the House of Representatives. The House bill makes it a serious crime for an official, former official or journalist to disclose the identity of any agent or former agent. This makes sense. In some ways, the Freedom of Information Act may be too much of a good thing.

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ARTICLE APPEARED

ON PAGE 12U.S. NEWS & WORLD REPORT
5 October 1981

Washington Whispers.

Morale at the Central Intelligence Agency, according to officials there, has hit an all-time low. The reason: Relations between top executives have been poisoned by suspicion on the part of CIA Director William Casey that there was a conspiracy within the agency to dump him in favor of Deputy Director Bobby Inman, a career intelligence specialist.

Revolt Against the Experts

After decades of government by so-called—and sometimes self-appointed—“experts,” the direction of the United States is in the hands of a President determined to put them in their proper place as advisers, not policy-makers, of government administration

By WILLIAM F. GAVIN

What do the following subjects, events and public issues have in common: supply-side economics, the nomination of Dr. C. Everett Koop to be Surgeon General, the recent successful struggle of Central Intelligence Agency Director William Casey to keep his job, conflicts between parents and teachers over subject matter taught in the schools and the widespread criticism being made of Big Media?

The answer is that they are examples of a growing tendency among Americans to challenge the opinions and policies of experts in various fields, ranging from medicine to politics to media.

President Ronald Reagan is the best-known figure in this revolt against the experts. His stand against the air-traffic controllers is but one example of a growing refusal to give in to the demands of experts and specialists who threaten to withdraw their services or disrupt society if their demands are not met or their political and economic views are not followed.

This phenomenon is not a “movement” in the sense of an organized and deliberate campaign to achieve a given goal. It is, rather, a spontaneous reaction against the increasing power of experts over the everyday life of Americans.

In a society dependent on technological, scientific and scholarly expertise, many experts have come to assume that their special skills and knowledge give them the right to dictate to society on a whole range of issues. Ordinary Americans—and the President they elected—are rejecting such claims.

* * * * *

The CIA and Bill Casey. Casey's troubles surfaced earlier this year when members of the “old boy network” at CIA let it be known they disagreed with Casey's selection of businessman and former Reagan campaign aide, Max Hugel, as “spymaster” at the intelligence agency.

The fact that Hugel later resigned because of activities having nothing to do with his competence in the CIA in no way proved that the CIA's experts were right about the alleged need for a CIA veteran in the job Hugel held. Indeed, the CIA's poor intelligence performance in recent years in such vitally important areas as Soviet missile capability suggests the professionals might benefit from leadership not linked to the failures of the past.

Casey's determination to have Hugel in that sensitive position may have been a mistake operationally as well as politically. If so, the mistake was in choosing Hugel, not in the original decision to have an outsider as spymaster.

Casey himself soon ran into the buzzsaw of opposition from experts. After a bizarre interlude in July in which Sen. Barry Goldwater went 180 degrees from calling for Casey's resignation to stating that there was no evidence to prove Casey was “unfit” for the top job at CIA, it now appears as if Casey is back in business as head of the nation's intelligence activities. It is safe to assume that the sudden “discovery” of alleged unethical business dealings on Casey's part was aided (or, at least, applauded) by CIA professionals, active and retired, who do not appreciate Casey's leadership.

* * * * *



The nomination of Dr. C. Everett Koop (left) to be Surgeon General and the recent successful effort by CIA Director William Casey to keep his job are examples of a growing tendency among Americans to challenge the opinions of "experts" in various fields, ranging from medicine to politics to the media.

Working Profile: Paul Laxalt

The Senator Who Speaks for President Reagan

By MARTIN TOLCHIN

Special to The New York Times

WASHINGTON, Oct. 1—When Paul Laxalt talks, like the man from E. F. Hutton, everyone listens.

Late Tuesday evening, for example, his working style was on display on the Senate floor, which was in disarray. The President had asked Congress to raise the debt limit to the politically perilous sum of more than \$1 trillion, and the Republicans were wary of being tagged as big spenders.

In desperation, Senator Howard H. Baker Jr., the majority leader, turned to the junior Senator from Nevada.

"I asked Paul to help with some of our members who weren't totally convinced of the righteousness of our cause," Senator Baker recalled. "I said, 'Paul, I need some help, things are going to get tight.'"

Seeking Out Votes

And so Paul Laxalt went to work, foraging for votes. He buttonholed Republican colleagues, speaking softly but insistently. "The President needs your vote," he said, and his targets knew that they were not just listening to a junior Senator, but to the President's man in the United States Senate. Mr. Laxalt produced the needed votes, and the day was saved.

It is a role that the Nevadan has increasingly come to play, a reflection of the deference paid the easy-going, graying, 59-year-old Senator who wears lizard cowboy boots and conservative suits. His natural working style is the soft sell, and his power was immeasurably heightened Nov. 4 with the election of a man he deems closer than a friend.

"We're like brothers, just like brothers," Mr. Laxalt said of his relationship with the President of the United States. "If it's one thing the President needs, it's a good brother."

The two men seem cut from the same cloth. Both are genial, open, low-key Westerners not inclined to take themselves too seriously. They share the same world view, conservative ideology and strong moral values. Both love the out-of-doors, and neither is a workaholic.

The two met while working in Barry Goldwater's Presidential campaign, in 1964, and their friendship flourished when they became governors of neighboring states. One memento of those years, in Mr. Laxalt's office, is a 1968 photograph of the two men on horseback, en route to an overnight campsite, inscribed, "Hey Paul—Here we

were, two 'guys' who didn't know we were going to freeze to death come nightfall. All the best, Ron." Mr. Laxalt managed Mr. Reagan's Presidential campaigns in 1976 and 1980.

The assertion of brotherhood is unusually emotional by political standards, and in the brotherhood of politics, blood is seldom thicker than ballots. Indeed, both men have benefited politically from their personal closeness. The Senator is the President's eyes and ears on Capitol Hill, and gives his old friend candid assessments of the players and the issues.

In exchange, the Senator has become a one-man clearinghouse for his colleagues' requests for favors, appointments, grants and privileges bestowed by the White House. Senator Roger W. Jepsen, Republican of Iowa, said: "I have found that if I want something magical to happen involving the President personally, the person to talk to is Paul Laxalt. It's like talking to the President himself."

Senator Edward M. Kennedy, Democrat of Massachusetts, asked Mr. Laxalt to arrange for President Reagan's presentation of the first Robert F. Kennedy medal to his widow, Ethel. "I called down there, and told them this was a high-priority item," Mr. Laxalt said.

Mr. Laxalt somehow manages to pursue such requests without usurping the powers and prerogatives of the Senate majority leader, who also owes his position to the Nevadan. On the morning after Election Day, Mr. Baker realized that only Mr. Laxalt could come between him and the leadership position. To pre-empt such a move, Mr. Baker telephoned Mr. Laxalt and asked the Nevadan to nominate him for majority leader. Mr. Laxalt immediately agreed.

"They established ground rules early on," said an aide to the Republican leadership. "Senator Laxalt has never done anything but let the mantle of leadership fall on the shoulders of Howard Baker."

Some colleagues believe that the Nevadan lacks the bellyful of fire that would have fueled a challenge to Mr. Baker and that Mr. Laxalt is just as happy to leave the running of the Senate to someone else. Ambition is not Mr. Laxalt's strong suit, nor does he seem to covet the late hours and constant behind-the-scenes work that falls to the majority leader.

In deference to Mr. Laxalt's position, however, Mr. Baker appointed him virtually a member of the leadership. He is invited to meetings of Sen-

ate chairmen, although Mr. Laxalt has not yet attained such status, as well as to leadership meetings at the White House.

"He's a pleasure to work with," Mr. Baker said of Mr. Laxalt. "He's a classy person, totally responsible, with good instincts and insights. I depend on him heavily."

An aide to the Republican leadership said, "If ever there was a symbiotic political relationship, it's between Howard Baker and Paul Laxalt."

One difference between their two roles was manifest in the dispute involving William J. Casey, director of Central Intelligence. Senator Barry M. Goldwater, Republican of Arizona, who is chairman of the intelligence committee, had called for Mr. Casey's resignation, charging that he had shown bad judgment in insisting on the appointment of a Republican campaign colleague, Max Hugel, as chief of cover operations.

As majority leader, Mr. Baker could not challenge the view of a committee chairman, and Mr. Casey's cause appeared doomed. Then Paul Laxalt intervened.

The Case for Casey

"If it were not for Bill Casey," Mr. Laxalt told a news conference, "Ronald Reagan would not have been elected President. We are not going to permit a perfectly decent man to be savaged."

The Senator said later: "Casey and I got to be very close during the campaign. I felt that on the merits, Bill Casey was almost being railroaded."

Despite Mr. Laxalt's closeness with the President, however, the two men have differed on substantive issues. In such cases, the Senator said, "I'm very careful not to translate Paul Laxalt into Ronald Reagan."

On the proposed three-month deferral of cost-of-living increases for Social Security recipients and other pensioners, for example, the Senator said, "I thought the President should have bitten the bullet." But he gave the President's message to Senators, such as Pete V. Domenici of New Mexico, who had urged the deferral. "I simply had to tell them that the President has told me he viewed that to be a solemn campaign promise," Mr. Laxalt said.

As for his special role with Mr. Reagan, the Senator said, "We simply take a look at the total picture, as old friends, and try to come up with some answers."

"It's been working very well," he added. Few Democrats would disagree.

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ARTICLE APPEARED THE WALL STREET JOURNAL
ON PAGE 1 2 October 1981

Washington Wire

CIA CHIEF CASEY will probably escape new trouble in the Senate Intelligence Committee's coming staff report on allegations against him. It is expected to question some of Casey's business practices. But the report probably won't provide new disclosures that would revive calls for Casey's resignation. One investigator says it will reveal "lots of smoke, but no gun."

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THE FOLLOWING SUGGESTED FOR WEEKEND OF 10/04/81
 10/04/81, 10/05/81

2 OCT. 1981

BRIEFHOUSE NEWS SERVICES

WASHINGTON - ADMINISTRATION AND CONGRESSIONAL E
 NATIONAL SECURITY IS CARRYING OVER INTO THE AREA
 INFORMATION AND THE FIRST AMENDMENT.

IN THE PAST TWO WEEKS, SEVERAL LEGISLATIVE AND
 HAVE SHOWN THAT THE POLITICAL PENDULUM IS SWINGING
 GOVERNMENT.

THE HOUSE OF REPRESENTATIVES PASSED A BILL THAT
 CRIME FOR A JOURNALIST OR AUTHOR TO IDENTIFY ANY INTELLIGENCE AGENT
 OR ANY SOURCE OF INTELLIGENCE INFORMATION - EVEN IF THE AGENT OR
 SOURCE IS VIOLATING FEDERAL LAWS OR PRESIDENTIAL POLICY.

AND THE JUSTICE DEPARTMENT ANNOUNCED A NEW GET-TOUGH POLICY ON
 FORMER INTELLIGENCE OFFICIALS AND EMPLOYEES WHO WRITE BOOKS OR
 ARTICLES CRITICAL OF THE INTELLIGENCE ESTABLISHMENT. THEY SAID IT
 WOULD SUE ALL FORMER INTELLIGENCE OFFICIALS WHO PUBLISH WITHOUT
 OBTAINING PRIOR GOVERNMENT APPROVAL.

BOTH THE HOUSE AND SENATE APPEAR ON THE VERGE OF APPROVING AN
 AMENDMENT TO THE FREEDOM OF INFORMATION ACT THAT WOULD EXEMPT THE
 DEFENSE INTELLIGENCE AGENCY FROM ANY PUBLIC INFORMATION
 ACCOUNTABILITY. THE EXEMPTION IS EXPECTED LATER TO BE PUSHED FOR
 EXTENSION TO THE CIA AND COUNTER-INTELLIGENCE ACTIVITIES OF THE FBI,
 WHICH WOULD END ALL PUBLIC AND PRESS ACCESS IN THESE AREAS THROUGH
 THE FREEDOM OF INFORMATION ACT.

THE ADMINISTRATION HAS SAID IT WILL SUPPORT BROAD EXEMPTIONS FOR FBI
 AND CIA INTELLIGENCE FILES. DETAILS OF ITS POSITION ARE TO BE MADE
 PUBLIC LATER THIS MONTH.

PERHAPS THE MOST EXTREME EXAMPLE OF THE NEW NATIONAL SECURITY DRIVE
 IS A PENDING HOUSE BILL THAT WOULD MAKE IT A CRIME TO PUBLISH IDEAS
 FOR MILITARY HARDWARE.

NEWS AND CIVIL LIBERTIES ORGANIZATIONS ARE PESSIMISTIC ABOUT THEIR
 CHANCES OF BLOCKING THE EFFORTS TO REDUCE PUBLIC OVERSIGHT OF THE
 INTELLIGENCE COMMUNITY. THE GENERAL PUBLIC DOESN'T SEEM VERY
 CONCERNED ABOUT THE RECENT DEVELOPMENTS.

A JUSTICE DEPARTMENT OFFICIAL EXPLAINED PRIVATELY TO A GROUP OF
 ATTORNEYS LAST WEEK THAT THE DEPARTMENT BELIEVES THE MOVEMENT FOR
 PUBLIC INFORMATION AND OVERSIGHT OF INTELLIGENCE AGENCIES WAS A
 RESPONSE TO THE ABUSES DISCLOSED IN THE WATERGATE SCANDALS; BUT THAT
 THIS PERIOD OF HISTORY IS NOW OVER.

CIA DIRECTOR SAYS THEY SAY THEY
 NEED MORE SECRECY; THAT THEIR SOURCES OF INFORMATION ARE DRYING UP

AMERICAN BAR ASSOCIATION
Intelligence Report
October 1981

House Acts on Intelligence Identities Protection Bill

The House of Representatives debated and passed H.R. 4, the Intelligence Identities Protection Act (amending the National Security Act of 1947) as amended on the floor during debate on September 23. The vote was 354 to 56. But some strange things happened on the way to passage.

The major point of controversy between H.R. 4 and its companion bill in the Senate, S.391, lies in Sec. 601(c). This section (different from Secs. 601(a) and (b), where authorized access to classified information on identities of covert agents is an element of the crime), would provide criminal penalties for any person (including those who have never had authorized access to classified matter), who discloses the identity of covert agents with the intent to impair or impede U.S. foreign intelligence activities. The elements of the crime in Sec. 601(c) were carefully crafted in both S.391 and H.R. 4 in order to meet constitutional tests.

The major differences with regard to Sec. 601(c) were that H.R. 4 (as reported from committee) utilized an "intent" standard for prosecution, whereas S.391 employs a "reason to believe" standard. Further, S.391 requires that the exposure of identities be "in the course of a pattern of activities" by the defendant.

Most of the knowledgeable witnesses who testified before the House Permanent Select Committee on Intelligence urged passage of H.R. 4 (in its reported state) if for no other reason than to bring the bill to the floor. However, the Department of Justice expressed a preference for S.391, because the intent standard under H.R. 4 would make prosecution very difficult from an evidentiary standpoint. Director of Central Intelligence Casey also wrote Committee Chairman Boland on July 15 to emphasize the administration's preference for S.391. Further support was noted in President Reagan's letter of September 14 to Senator East urging reporting out S.391 without amendment. The president noted that any change in S.391 "would have the effect of altering this carefully-crafted balance. I cannot overemphasize the importance of this legislation."

However, when reported out H.R. 97-221), another 601(c) by the ad such identificatic ments of the crin present, the nev

"to identify and expose covert agents with the intent to impair or impede the foreign intelligence activities of the United States," would require the prosecution also to prove that the disclosure of the identity of a covert agent actually did impair or impede our foreign intelligence activities. The security implications of trial proof and discovery under this element are appalling.

The Association of Former Intelligence Officers (AFIO), through its legal advisor, John S. Warner, immediately labelled this new development for what it felt it was—a "results test," and it sent a strong letter of concern to House Intelligence Committee Chairman Boland (D-Mass.). AFIO also pointed out other matters of concern in the committee report. In a reply dated September 16, the chairman asked that AFIO representatives meet with his staff to help resolve the differences and denying any committee intent to consider the added words a "results test."

On September 21, Jack Maury, President of AFIO, John Warner, and Walter Pforzheimer of the AFIO Executive Committee, met with Michael O'Neil, the committee chief counsel, and a member of his staff. While the committee staff continued to deny that the new wording in Sec. 601(c) constituted a "results test" or any desire to create such an element, it was agreed that this could best be resolved for the legislative history of H.R. 4 by a colloquy during the floor debate. Such a colloquy took place between Subcommittee Chairman Mazzoli (D.-Ky.) and Rep. McClory (R.-Ill.), in which the former concluded:

"In sum, Sec. 601(c) is only concerned with what a person intends in making a disclosure, not in what may or may not have been the result of his having done so.

In reporting H.R. 4, the overwhelming majority of House Intelligence Committee members voted in support of the bill as reported. They were very anxious to bring "Identities" legislation to the floor; and they wished to avoid a second sequential referral of H.R. 4 to the Judiciary Committee, with its attendant delays.

The language of H.R. 4 was satisfactory to the Judiciary Committee. Only Rep. John Ashbrook (R.-Ohio) took a dissenting position in the committee report, noting a strange preference for the

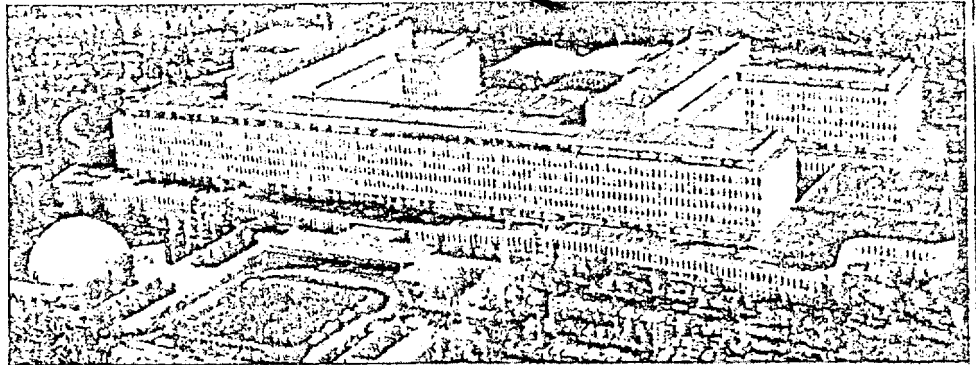
THE PROGRESSIVE
October 1981

YE SHALL NOT KNOW ANYTHING

LANGLEY, VIRGINIA

"We believe that as much information as possible about the Central Intelligence Agency and the Intelligence Community should be shared with the public," declares the thirty-page document bound in deep red covers. The booklet, *Intelligence—The Acme of Skill*, includes an "intelligence glossary" that points out the difference between "clandestine" and "covert action," a CIA chronology, a question-and-answer section, and an array of trivia: the CIA headquarters and grounds cover 219 acres; "works of art grace the building's entire first floor" (the majority being "abstract with an emphasis on color studies"); there are "more Ph.D.'s employed by the CIA than by any other Government agency."

The publication's title comes from a quote attributed to "Sun Tzu, Military Strategist, China, 400 B.C." which states, "To find security without fighting is the acme of skill." To further confirm that "intelligence is nothing new," other citations



WIDE WORLD PHOTOS

CIA headquarters at Langley: lowering the blinds

include the old testament, Queen Elizabeth I, and the Thirteenth Century Mongol leader Subotai, who "directed his forces to spectacular military successes in their invasion of Europe" because he had good spies.

What is perhaps more significant about *The Acme of Skill* is that it exists at all. Its publisher is the CIA itself—the CIA of sunnier times when some small efforts to illuminate its dark dens were made. Today, publications of this nature have short shelf lives; already CIA Director William Casey has eliminated the Agency's office of public affairs, which produced the booklet. In so doing, he declared, "The time has come for

the CIA to return to its more traditional, low-public profile." Who knows what other things the CIA will return to, if indeed it ever left them?

The Acme of Skill notes that a biblical verse is engraved in Georgia marble in the central lobby of CIA headquarters: "And ye shall know the truth and the truth shall make you free.—John VIII-XXXII." At this writing, it is unknown whether CIA Director Casey has moved in with sand-blasters.

—PHIL PRIMACK

(Phil Primack is a free-lance writer in Epping, New Hampshire.)

ARTICLE APPEARED
ON PAGE 47

WORLD PRESS REVIEW
October 1981

Looking at the U.S.

THE AUSTRALIAN

Revitalizing the CIA

A renewed interest in clandestine action

PETER DAY

Peter Day writes for the independent "Australian" of Sydney, from which this is adapted.

Morale is looking up among the 60,000-strong spy force at the Central Intelligence Agency's Langley, Va., headquarters. Promises of a \$10-billion-budget this year, a major recruiting drive, and a favorable change in public attitude that reached an alltime low during the post-Vietnam Watergate depression have restored some of the agency's strength.

The publication of a report that the CIA had been planning a "destabilization campaign" against Libyan strongman Muammar Gaddafi has provided the first public inkling that the Reagan Administration is rebuilding the CIA into an active arm of foreign policy. It was inevitable that the "hot" covert action issue would draw fire to whoever was appointed to implement the President's decision—as it has to director William Casey.

The White House has denied that the reported plans for an African "operation" concerned Libya. But such a move against a regime that the Administration has branded as a pariah State for its international terrorism and destabilization campaigns against neighboring countries is precisely the kind of activity the Reagan Administration would encourage its CIA chief to consider.

At its inception the CIA may have aimed to monitor and counter what Americans perceived as a threat of Stalinist dictatorship. In many eyes it has ended up helping dictatorships into power and funding terroristic "Third World liberation movements." A group of talented amateurs ran American intelligence after World War II; later there was a wholesale desertion of CIA personnel in the wake of the scandals, Congressional investigations, and purges of the 1970s.



Casey—"would draw fire."

months after his appointment by President Carter—saw the departure of hundreds of the CIA's most highly trained and experienced intelligence operatives throughout the world. Over the past decade the agency's staff has been chopped 25 per cent, with the average number of clandestine operations dropping to thirty a year in the 1970s compared with some 300 throughout the freewheeling 1950s and 1960s.

A former top operative, Theodore Shackley, says the agency's capacity to carry out such operations has "withered into virtual hopelessness," and that it will take at least three years to train a new

cadre of work for laid by Egan Adm In Oc the 1974 had sha

intelligence services to cooperate with the CIA by forcing it to inform no fewer than eight subcommittees of any covert operation. That system has now been streamlined to two select committees—one each for the Senate and the House.

Congress is now also expected to exempt the CIA from the far-reaching U.S. freedom of information laws, although citizens and resident aliens will still be able to seek records "concerning themselves" under the Privacy Act. It will also become a crime to disclose the names of undercover agents working abroad.

Although the changes in the freedom of information laws have been opposed by newspaper groups, measures to bolster the CIA have received extraordinarily little public criticism. With very few exceptions, Congress has supported the post-Iran, post-Afghanistan public mood that saw most liberal representatives of the mid-1970s anti-CIA movement swept from office last November. Conservative Sen. Barry Goldwater's role in the anti-Casey movement is also dramatizing the fact that the "anything goes" days of the 1950s and 1960s are gone.

The Reagan Administration will almost certainly move quickly to dispel illusions that the link between the scheme for an operation "somewhere" in Africa and the Casey controversy will embarrass it out of its ambitious plans. While the agency's activities are to be hidden from the public spotlight, the Administration has made its intentions clear with requests to Congress that it lift the 1975 Clark Amendment banning covert aid to pro-Western groups in Angola.

Angola is an almost ideal test-case for the new policies, pitting overextended Soviet-supported Cuban troops against an anti-Communist native force—Jonas Savimbi's Unita movement. Despite the growing sympathy in Washington for Unita, any covert action by the Reagan Administration to equip it with modern weapons to overthrow the Angolan Government has so far been defeated by liberals of the subcommittee on Africa.

The impasse over the Clark Amendment is a remarkable confrontation between the new attitude to the CIA and that of the mid-1970s.